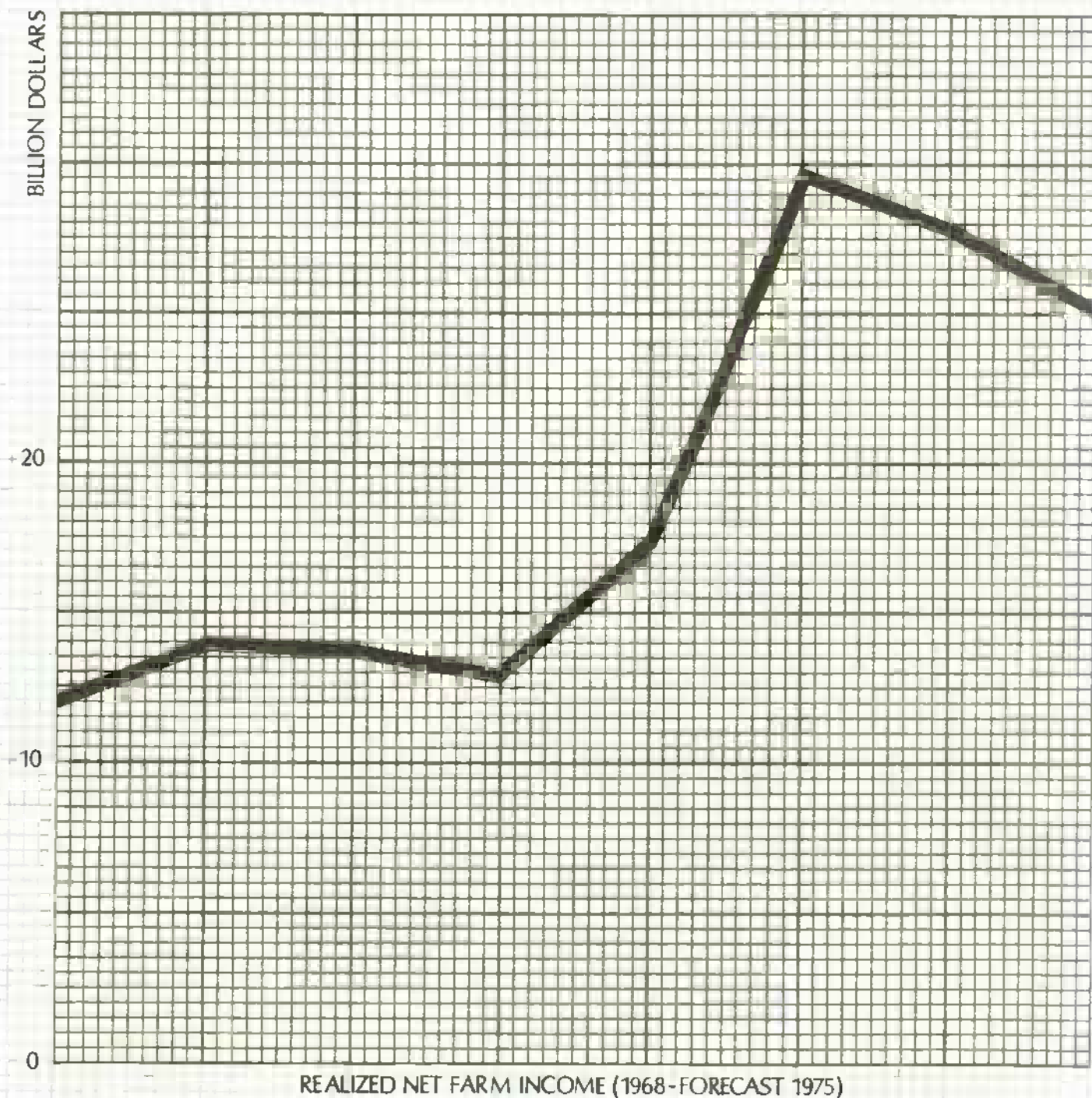


# AGRICULTURAL OUTLOOK

UNITED STATES DEPARTMENT OF AGRICULTURE • ECONOMIC RESEARCH SERVICE • OCTOBER 1975 • AO-5



# AGRICULTURAL OUTLOOK

AO-5

OCTOBER 1975

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# CONTENTS

## Page

- 1 **Agricultural Outlook**  
Agricultural economy to hold strong through the first half of 1976, reports Robert R. Miller. Results under alternative grain export levels and livestock feeding responses are discussed by Terry Barr.
- 2 **Agricultural Economy**  
Realized net farm income may total around \$25 billion in 1975, and will likely continue well above a year ago in January-June 1976, according to Mardy Myers.
- 5 **Policy and Program Developments**  
U.S.-USSR long-term grain sales agreement reached, reports David Schoonover. Farm definition changed, says J.B. Penn.
- 6 **Commodities**  
This year's larger grain and soybean crops will provide stock build-up, according to George Kromer, Frank Gomme, and George Rockwell. Livestock and poultry feeding is picking up with output to gain, reports George Hoffman, William Cathcart, and James Miller. Fall fresh vegetable supplies trimmed with prices firm says Charles Porter. Andrew Duymovic indicates large fruit supplies are expected.
- 11 **Food**  
Food prices may rise slightly in coming months, says Larry Summers.
- 11 **Marketing**  
Increases in farm-retail price spreads for foods may slow from a year ago, reports Henry Badger.
- 12 **Transportation**  
The U.S. transportation system is better able to move grain export sales because of slackened overall demand from the general economy, Deborah Pollock indicates.
- 13 **Inputs**  
Higher prices but increasing supplies describe the outlook for agricultural inputs. John Gale reports fertilizer output may be up next year, but reduced gas supplies may reduce nitrogen fertilizer production below potential. Feed sales pick up, notes Carl Vosloh. Farm loans may be up by the start of next year, according to Philip Allen.
- 15 **World Agriculture and Trade**  
USSR grain production estimate for this year is further reduced to 160 million metric tons, reports Dewain Rahe. Moratorium on U.S. grain sales to USSR from this year's crop has been lifted.
- 17 **National Agricultural Outlook Conference**  
Program listed for this year's conference to be held November 17-20, 1975.

# AGRICULTURAL OUTLOOK

The outlook for U.S. agriculture through mid-1976 continues strong, although major uncertainties remain. Agricultural adjustments, particularly in domestic livestock feeding, continue to be tied to developments in foreign markets and the U.S. economy.

While expanded foreign markets mean favorable returns for U.S. grain producers, the nature of any expansion in the livestock feeding industry will be based on the expectations of continued strong consumer demand to support livestock prices and the availability and cost of feed. The domestic market will depend on how well the general economic recovery can be sustained in 1976.

A number of key factors influencing the outlook are now materializing. The long-term grain sales agreement between the United States and the USSR has been announced, while the moratorium on further grain sales to the Soviet Union has been lifted. Crop conditions have stabilized in recent weeks, following some deterioration this summer, and record or near-record output is in sight for soybeans, wheat, and feed grains. Output should be large enough to cover anticipated domestic and foreign requirements and provide some buildup in carryover stocks come next summer and fall. This larger volume of marketings should also offset some weakness in crop prices late this year and bolster farmers' crop receipts. However, total 1975 crop receipts still will be below year-ago levels. At the same time, cash receipts from livestock and products this year will be up, reflecting the strong price picture through the fall, probably enough to more than offset the decline indicated for crops.

For 1975 as a whole, total cash receipts from farming may be only slightly higher with gross income around \$102 billion. On the expense side, farmers are apparently not purchasing as much feed, feeder livestock, and fertilizer this year. However, prices of production inputs continue to rise and total production expenses this year probably will be up some \$3 to \$4 billion. As a result, realized net income in 1975 may total about \$25 billion, compared with 1974's \$27.7 billion. However, net income this year would still be the third largest on record.

With livestock production picking up and record crops moving to market, retail food prices during the remainder of 1975 may increase only slightly. In the fourth quarter, lower prices for beef, poultry, fresh fruit, and potatoes compared with the previous quarter are likely to be offset by increases in pork, eggs, dairy products, and fish. Food prices eased in late summer following a midyear bulge. For all of 1975,

retail food prices will average around 9 percent above 1974.

## Alternative Export and Livestock Feeding Levels Appraised

Alternative assessments of the interrelationships among the health of the economy, the expectations of livestock producers, and the level of U.S. agricultural exports would correspondingly alter the likely course of U.S. agriculture into 1976.

In appraising the agricultural outlook through mid-1976, the critical factors are the export levels for U.S. grains and the responsiveness of domestic livestock producers to current and expected feed-product price relationships. In our analysis of the "most likely" developments, which reflects a substantially larger export volume over a year ago and a pickup in livestock feeding, farm income prospects through the first half of 1976 will be greatly improved over a year earlier, with the livestock sector continuing to gain and crop prices easing somewhat in the face of record output.

Also, with the economic recovery making moderate gains, retail food price increases in the first half of 1976 will be generally below the rate of increase expected in non-food items. Although pork output will probably remain below year-earlier levels, supplies of most livestock products should increase. Crop-related food products should

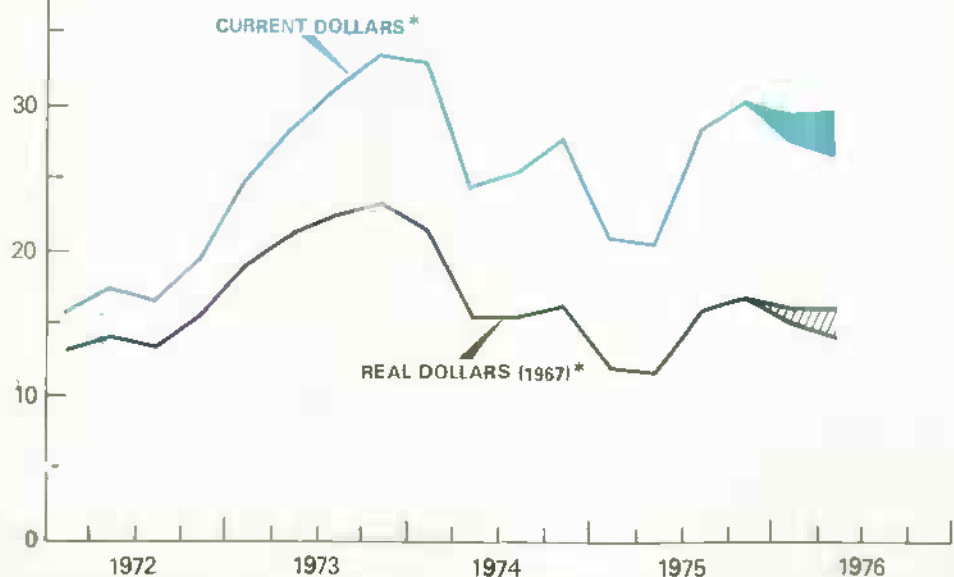
be in large supply. Rising costs will continue to put upward pressure on marketing spreads early next year.

Alternatively, if grain exports were to turn out much higher than currently anticipated, the resultant higher grain prices would dampen the production response in the livestock sector. This could mean increased beef supplies in the near term as more grass-fed cattle would go directly to market. However, by the second half of 1976 this could result in reduced livestock product supplies and higher prices. Although farm income prospects in the first half would not be greatly altered from current expectations, the pattern of retail food prices would be more sensitive. Much larger increases in food prices could be expected to begin by next spring as livestock output was sharply reduced.

On the other hand, if exports turn out much below current expectations, the resultant sharp drop in grain prices would encourage more domestic feeding and provide larger livestock supplies throughout 1976. Although crop receipts would be lower in the first half of 1976, the correspondingly lower feed expenses would be partially offsetting and farm income would still remain significantly above first half 1975. Retail food price increases would be slightly greater in the very near term, but there might be only slight further rises throughout the first half.

## FARM INCOME TO NET HIGHER

BIL. DOL.



\*REALIZED NET FARM INCOME SEASONALLY ADJUSTED AT ANNUAL RATES.





## AGRICULTURAL ECONOMY

The outlook for U.S. agriculture during the rest of this year has improved materially in recent months. And this situation is likely to be maintained through the first half of 1976. Major factors generating this strength are the record grain harvests now underway, strong foreign markets for grain, and the continued recovery of the U.S. economy. As a result, gross and net income from farming will be substantially higher in late 1975 and early 1976 than during the first half of this year. In addition, with large 1975 crops and the beginning upturn in livestock output, consumers should notice a slowing in the rate of increase in food prices over the next several quarters relative to mid-1975.

### Crop Picture Clears

The crop picture continues to come into better focus with record or near-record output in prospect for major crops as of October 1. Consequently, key factors at this point that will be influencing the outlook in coming months are (1) the volume of U.S. grain exports to meet world grain needs, and (2) the responsiveness within our domestic livestock industry to current and expected costs and returns. Decisions made this fall by livestock producers will determine the output of livestock and livestock products which will impact on farm prices and income and on food prices, not only in the near term, but during next year as well. Adjustments within the farm sector will not be confined just to the livestock industry since domestic use of feed grains is a significant determinant of grain prices.

### Agriculture Plays Important Role In Economic Recovery

In appraising the outlook for U.S. agriculture, it must be recognized that agriculture has an increasingly important, interactive role to play in the U.S. economy. Continued strong agricultural exports remain a major factor in the favorable trade balance in offsetting a deficit trade balance for nonagricultural items, particularly petroleum products. Coupled with record large crops, increased exports provide a significant impetus to the general economic recovery. Also, larger food supplies and small gains likely in food prices in the next 6 to 9 months should ease inflationary pressures, thus aiding the economic recovery.

On the other hand, continued recovery in the general economy will be important in determining consumer demand for food and fiber in coming months. Rising disposable incomes and some further easing in unemployment rates should help bolster consumer purchases of food and fiber. Strong consumer demand will be needed to maintain livestock prices and thus encourage an increase in livestock production.

Increased domestic use of cotton, wool, and tobacco appears likely in coming months. Growth in the general economy and in consumers' buying power will play a key role in the extent of these gains. Textile activity has picked up in recent months, stimulated by economic activity gains. Larger domestic output of most tobacco products has also occurred this summer and fall.

### Economic Recovery Continues

While the economic recovery appears to be gaining momentum, the key factor in second half 1975 optimism is the expecta-

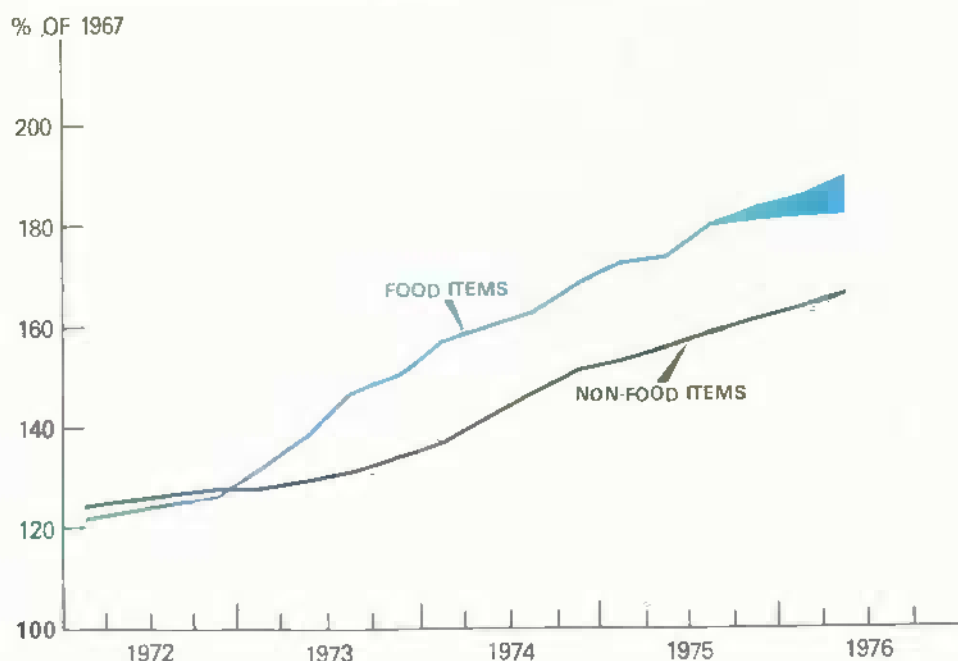
tion of a slower rate of cutback in inventories. While the inventory correction may carry the economy through the fourth quarter this year, it will be up to the consumer thereafter. The key in sustaining economic growth will be real gains in consumer purchasing power and restoration of consumer confidence. Following a brisk expansion in real output, as inventory investment gains in the last half of this year, a gradual advance in real consumer spending should provide the impetus for continued economic growth in the first half of 1976. Real gross national product, which measures the economy's total output of goods and services adjusted for inflation, expanded at an annual rate of around 11 percent in the third quarter, largest quarterly gain in more than 20 years. However, more than half of the increase was due to a reduced rate of inventory decumulation.

Despite a continuation of the current inventory swing, which is likely to spur a fairly rapid advance in disposable personal income this fall, continuing inflation is likely to moderate real income gains. Accordingly, barring a sharp decline in the consumer saving rate, real consumer expenditures will probably increase slowly in early 1976.

### Food Prices May Rise Slightly

Retail food price pressures have eased since their midyear bulge and prices may rise only slightly during the fourth quarter. Compared to the third quarter, lower prices are likely for beef, poultry, fresh fruits, and potatoes. But increases for most other food categories, especially pork, eggs, dairy products, and fish are likely to be more than offsetting. This would bring the rise in retail food prices for all of 1975 to about 9 percent over the previous year.

## FOOD PRICE RISES MAY MODERATE



Supplies of animal products and some crops as well as food prices during the first half of 1976 likely will be responsive to export demand and farm price trends for grains and oilseeds. Food prices are expected to continue moderately upward during the first half of next year. In the first quarter, meat and poultry output may show modest seasonal declines, while seasonal price increases for beef, fruits, and vegetables are likely in the second quarter. Strengthening domestic demand and widening marketing spreads will continue upward pressure on retail food prices.

Alternatively, if livestock producers step up feeding more quickly than now expected in response to prospects for favorable returns, the larger supplies of most livestock and livestock products could result in only small gains in prices of food at home this winter followed by slight declines by spring. On the other hand, a slow feeding response could mean reduced supplies of most livestock and products, causing fairly sharp gains in food prices by next spring.

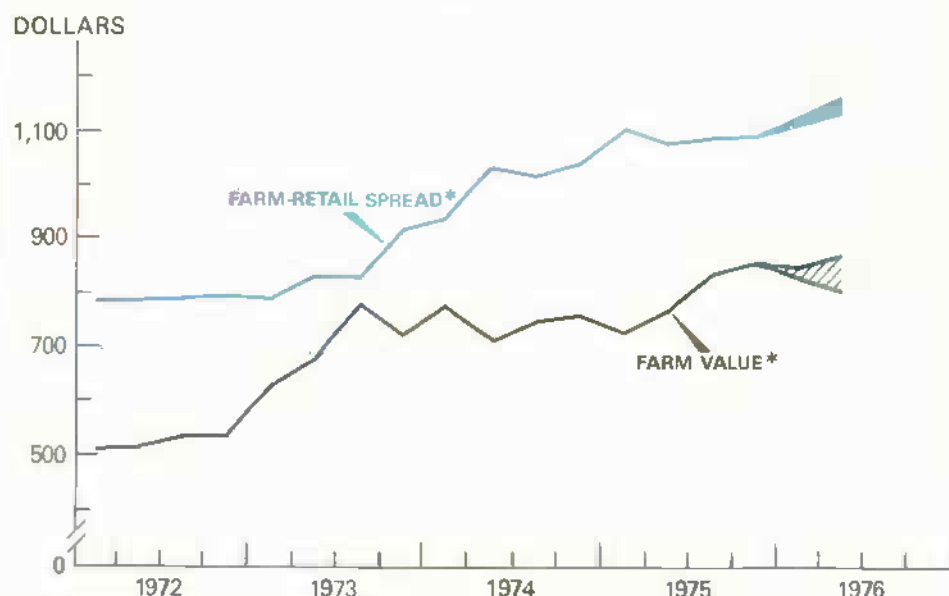
Per capita food consumption in 1975 may fall around 1½ percent to the lowest level in 7 years. A 2 percent drop in consumption of animal-related food products is accounting for most of the overall drop, with use per person of crop-related foods holding about even. Supplies of fed beef, pork, and poultry were restricted this year as a result of 1974's drought reduced and high-priced feed crops. Higher prices and sluggish demand also limited product movement for many highly processed crop-related foods.

### Marketing Spreads Widen

Marketing firms this year appear to be holding their margins well above the high levels reached in late 1974. Increased pressure from rising wages and prices of materials and services purchased by food marketing firms undoubtedly contributed to these high levels and will continue a dominant influence on the pricing policies of food marketing firms. For all of 1975, marketing spreads for farm-produced foods are likely to average about 8 percent over 1974 levels. However, the rate of gain has slowed during the year and spreads in the fourth quarter may average only around 3 percent above a year ago.

In the first half of 1976, marketing spreads may continue to widen, although gains may slow relative to a year earlier. Much of the increase will be for livestock products—meats, dairy, and poultry. Increasing labor and material costs will continue to exert upward pressure on marketing spreads. Gross returns to farmers for market basket foods will likely remain near current levels early next year due mainly to continued strength in livestock prices.

## FARM-RETAIL SPREAD TO WIDEN FURTHER



\* THE SPREAD IS THE GROSS MARGIN RECEIVED BY MARKETING FIRMS FOR ASSEMBLING, PROCESSING, TRANSPORTING, AND DISTRIBUTING A MARKET BASKET OF FOOD. THE FARM VALUE IS THE GROSS RETURN TO FARMERS FOR EQUIVALENT AMOUNTS OF THESE FOODS.

### Foreign Demand Strong for U.S. Grains

The international agricultural situation continues to be dominated by the sharp reduction of grain production in the USSR and the smaller declines in both Western and Eastern Europe. World grain output in early October was estimated at about 1,170 million metric tons. Although up 2 percent from 1974, this year's production is about 40 million tons below trend and some 35 million tons below July estimates. Lower production in the Soviet Union and Europe is being offset by larger production in other parts of the world, particularly the United States. Although world grain stocks may build slightly this year, stocks outside the United States will be drawn down even more from the near-minimum levels at the beginning of the year.

USSR total grain production as of late October was estimated at about 160 million metric tons, about 55 million less than this year's production goal and 35 million below 1974 output. Assuming no major changes in Soviet utilization policy, USSR grain import needs in 1975/76 are estimated at more than 25 million tons. As of early October, Soviet purchases of about 16 million tons of grains had been formally announced, including about 10 million from the United States. Trade sources indicate that additional purchases from Western sources may total around 5 to 10 million tons.

The United States has concluded a long-term grain sales agreement with the Soviet Union. Effective next October 1 for a 5-year period, the pact calls for the USSR to purchase 6 to 8 million metric tons of wheat and corn annually from the United States at market prices. At the same time, the U.S.

embargo on further grain sales to the USSR in the current year was lifted.

Recent economic developments in the developed countries have created a cautious optimism about chances for a turnaround in real growth rates later this year. The less developed non-OPEC countries, however, are facing extremely serious problems as their current account balances are showing further deterioration.

### Larger U.S. Crops on the Way

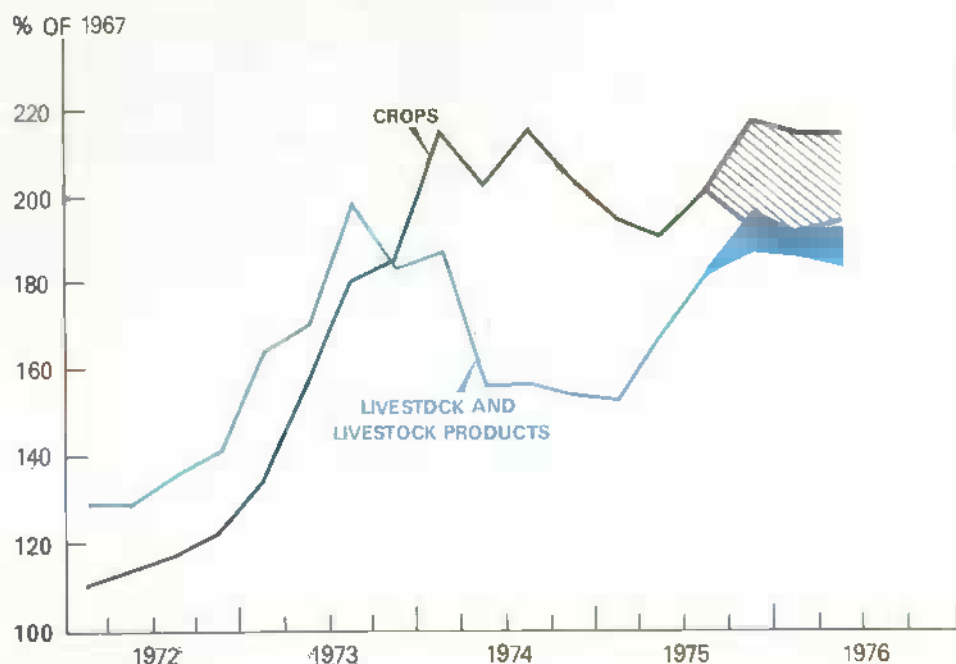
After deteriorating this summer, crop conditions have stabilized in recent weeks with record or near-record output for most crops in prospect as of October 1. Crop production is expected to be up 10 percent overall with feed grain and soybean crops likely to increase more than a fifth. Among the major crops, only cotton production is running below last year's level. Harvesting progress so far is well above average for most crops, though cotton picking is lagging.

Supplies of grains and soybeans appear ample for expanding domestic and foreign markets. The domestic livestock industry is expected to boost grain feeding this marketing year over the reduced 1974/75 level.

Crop receipt prospects have improved materially as stronger foreign and domestic demand prospects pushed crop prices up this summer and maintained them in recent months. Crop prices received by farmers in September were about 5 percent above first quarter levels this year. Grain prices will likely continue strong through harvest, if export volume increases as expected.

Despite strengthening crop prices this summer, the September index stood 8 percent below a year earlier. Only tobacco, commercial and fresh vegetables, fruits, and

## FARM PRICES TO REMAIN STRONG



potatoes were reported higher at the farm level than in September 1974.

Looking at a situation in which grain exports would run higher than now anticipated, grain prices would generally average close to last year's level. Alternatively, exports well below current expectations this season would contribute to a general weakening in U.S. grain markets.

### Livestock Prices Remain Strong

Prices of livestock and livestock products received by farmers have been on the rise this year. By September, farm prices of

livestock and products averaged almost a fourth above the first quarter of 1975 and a fifth above a year ago. These price gains have resulted from the cutback in supplies of pork, poultry, fed beef, eggs, and more recently, of milk as livestock producers adjusted to the short and high-priced 1974 grain crops. Strengthened livestock prices coupled with larger output of beef and broilers are bolstering livestock receipts in the second half.

Higher livestock prices have recently improved the profit picture in the livestock industry. As a result, livestock and poultry

producers are taking steps to expand output, an expansion that may extend well into 1976. Feed costs will be a major ingredient in determining profits and in the speed and size of the turnaround now developing in livestock and poultry output. A sustained expansion next year will require continued livestock prices favorable to increases in livestock feeding.

Beef and broiler output likely will continue above a year ago through the rest of this year and into 1976. Poultry producers have responded to the improved profit picture by stepping up broiler chick placements. Broiler production could be up a tenth from year-ago levels during the first half of 1976.

Cattle feeders are increasing placements of cattle on feed in response to favorable feeding margins. Consequently, more fed beef is in prospect for 1976, although fed beef output early next year will remain well below recent peak years. Although continuing above a year ago, beef production may decline seasonally through the spring of 1976 from expected fall peaks.

Hog producers are also beginning to react to record high hog prices and favorable feeding margins with plans to expand farrowings this winter. However, pork production will continue considerably below year-earlier levels well into 1976 because of reductions in farrowings that have already taken place.

Dairy farmers are starting to step up grain feeding in response to more attractive milk-feed price relationships and more milk is in prospect during the first half of 1976 relative to a year ago. Egg production may also be up a little early next year.

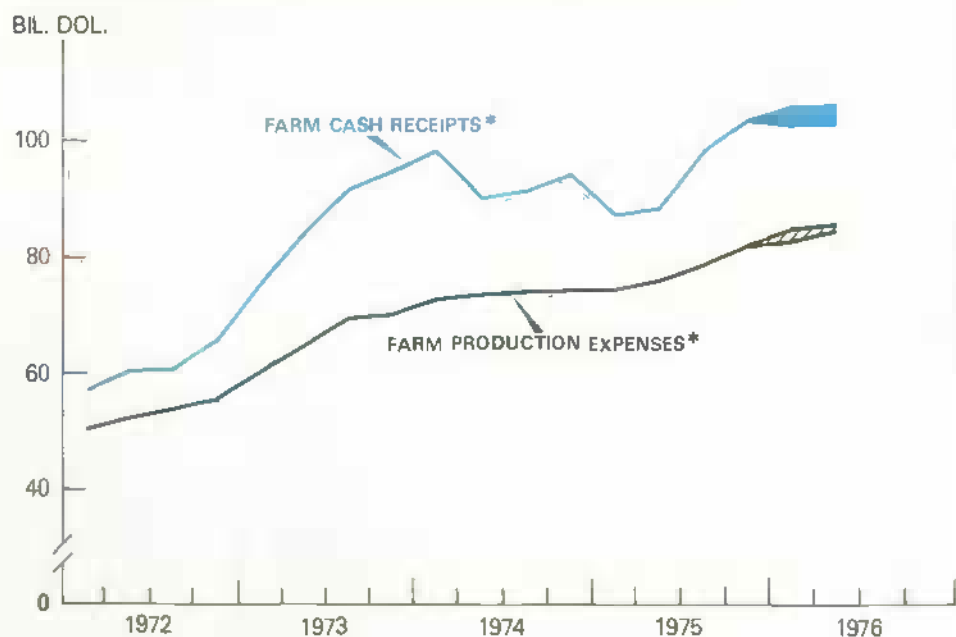
Prices of livestock and livestock products at the farm late this year and early in 1976 are likely to drop back some from the relatively high levels this summer and early fall. However, most livestock prices will likely continue well above year-ago levels through the first half of next year.

The alternative of higher feed prices and a slower feeding response by our domestic livestock industry than now anticipated would temper expected gains in fed beef, pork, broilers, milk, and egg production early next year. Nonfed beef output could increase in the short-run as feeders market cattle rather than moving them into feedlots. The largest impact of these reduced supplies of livestock and products would likely be felt during the second half of next year. Conversely, a situation of lower grain prices and a faster feeding response than now expected would encourage a stepup in feeding and in output of most livestock and products next year. However, beef production could dip early in 1976 as more cattle move into feedlots rather than to market.

### Cash Receipts To Hold Up

Cash receipts from farm marketings of livestock and products in the first half of 1976 are likely to remain high in the closing months of 1975 and around 15 to

## LARGER RECEIPTS TO OFFSET RISING EXPENSES



\*SEASONALLY ADJUSTED AT ANNUAL RATES.



20 percent above first half 1975 low levels. Although crop prices may ease some, increased marketings from the larger 1975 crop will help maintain receipts. Thus, total cash receipts in first half 1976 will likely continue above a year ago.

For all of 1975, cash receipts may be up slightly over last year's record of \$93.5 billion. Livestock receipts likely will be some \$2 billion higher while crop receipts could be down \$1½ billion. Higher livestock prices will more than offset a slight drop in quantities marketed, while lower average crop prices will outweigh larger marketings.

#### Input Expenses Slow

Farm production expenses continue their persistent rise, but the increase this

year will be much more modest than in 1973 and 1974. Outlays could total just over \$77 billion, up \$3 to \$4 billion from 1974. Feed usage is off, and feed prices may average lower this year. In addition, livestock purchases may show little change as lower average prices offset somewhat larger feedlot placements than in 1974. Fertilizer use was down in the face of higher prices early this year; prices have eased in recent months. Most other costs, including energy, are up because of the inflationary pressures in the general economy.

#### Farm Income Picture Brightens

Farm income has improved markedly in recent months, and for the second half of

this year will be well above levels of a year earlier and January-June 1975. This brightened income picture for the second half will probably result in a realized net income of around \$25 billion for all of 1975, down from 1974's \$27.7 billion but still the third best year on record by a wide margin.

In the first half of 1976, cash receipts will be well above year-earlier levels, due mainly to a strong showing for livestock and products. Expenses will be rising, but ample feed supplies should limit the increase. Some easing in the general inflation rate also is in prospect. Realized net farm income in January-June 1976 may hold close to the higher rate in the last half of 1975, and sharply higher than the income flow early last year. (Mardy Myers)

## POLICY AND PROGRAM DEVELOPMENTS

### U.S.-USSR Grain Agreement

On October 20, the United States concluded a 5-year grain agreement with the Soviet Union. The Soviets have agreed to buy 6 million metric tons of wheat and corn, in approximately equal amounts, annually from the United States during 1976-80, beginning October 1 each year. The USSR may buy without advance consultations 2 million tons additional grain, or 8 million tons in total, each year provided that the U.S. grain supply (carryin stocks plus estimated production) exceeds 225 million metric tons. Larger sales to the Soviets may be negotiated with advance governmental consultations. As a safeguard to U. S. livestock producers and consumers and other foreign customers, however, if the U.S. supply is less than 225 million tons, then sales may be reduced below 6 million tons.

The agreement calls for Soviet purchases to be made at market prices from private commercial sources in the United States. Government credit is not provided, but private credit is not precluded. The USSR has agreed to space its commitment as evenly as possible over the year. Unless otherwise agreed, all grain purchased from the United States will be consumed within the Soviet Union. Soybeans and grains other than wheat and corn are not covered by the agreement and may be purchased by the USSR through normal commercial transactions. Shipments will be made in accordance with provisions of the U.S.-USSR Maritime Agreement. The grain agreement provides for U.S.-USSR governmental consultations at 6-month intervals.

The agreement is expected to help stabilize U.S. trade with the Soviet Union and to remove much of the uncertainty about the size of Soviet purchases each year. The USSR has been a rather erratic purchaser

of U.S. wheat and feed grains, with imports ranging from 2.3 million tons last year to 13.7 million in 1972/73. (David M. Schoonover)

### Dairy Supports Increased

USDA raised the support price for manufacturing milk from \$7.24 to \$7.71 per 100 pounds on October 2. The new support level is 80 percent of the parity equivalent for manufacturing milk as of the end of this September. This is the second increase in milk supports this calendar year. In early January, supports were raised 67 cents to the \$7.24 level.

To carry out the increased level of supports, CCC purchase prices were raised 5.75 cents for Cheddar cheese to 85 cents per pound; 1.8 cents for nonfat dry milk to 62.4 cents per pound; and 10.5 cents for butter to 81.25 cents per pound at New York. Currently, wholesale market prices of these dairy products are well above the new CCC purchase prices.

### No Set-Aside in 1976

USDA recently announced that there will be no set-aside requirements for the 1976 feed grain, wheat, and upland cotton programs, the third consecutive year of no land restrictions for feed grains and wheat and the fourth for cotton.

Additional program provisions will be announced after the 1975 production situation is more fully known.

### Farm Definition Changed

The official definition of a farm has changed. USDA and the Bureau of the Census will now define a farm as "any establishment from which \$1,000 or more of agricultural products is sold or would normally be sold during a year."

Under the old definition used since the

late 1950's, a farm was any place under 10 acres with annual sales of \$250 or more of agricultural goods, or any place of 10 or more acres selling \$50 or more.

The new definition better reflects today's agriculture and will result in a decreased number of units classified as farms. The extent of the decrease will be known following review of the 1974 Census of Agriculture. The Bureau of the Census will report the 1974 information using both the old and new definitions.

In view of the diversity of today's farming operations, classes of farms are also being modified. The major classes are now:

- (1) Primary farm—one where the operator spends at least half his work-time on the farm; also one operated by a corporation or multi-establishment company which receives at least half its gross business income from farming.
- (2) Part-time farm—one where the operator spends less than half his work-time on the farm.
- (3) Business-associated farm—one operated by a corporation or multi-establishment company which receives less than half its gross business income from farming.

A fourth class—abnormal farm—will continue in use to define farms operated by an institution such as a hospital or school, or by an Indian reservation or as an experimental or research farm.

Other changes are being made so the economic and statistical information produced by USDA and the Census Bureau can better describe today's farming industry. Important statistical series of USDA will be changed to reflect the new definition and system of classifying farms based on an evaluation of 1974 census results and other data. (J. B. Penn)



## COMMODITIES

Developments in agriculture during the past several years have been heavily influenced by the ups and downs in domestic crop production and foreign demand for U.S. food and feed grains. Livestock and poultry producers reacted to high feed prices and unfavorable returns in 1974 by throttling down production of fed cattle, hogs, broilers, eggs, turkeys, and milk. As a result, output levels were down during the first three quarters of 1975.

However, the agricultural situation is changing and livestock and poultry producers are taking steps to expand output this fall or in 1976. Producers have been encouraged by better profits in recent months because of higher prices for the products they sell. But feed costs are still a major ingredient in determining profits. The turnarounds now developing in livestock and poultry output will require a continuation of price-cost relationships favorable to feeding.

Outlined below are the "most likely" developments in the situation for important farm commodities through the first half of 1976. Also discussed are what might happen if the feeding response by livestock and poultry producers is more rapid than now anticipated and grain exports falter, and alternatively, if a slower feeding response develops and grain exports are substantially larger than now seems likely.

### Demand For Feed Grains To Build

The 1975 corn crop is estimated at 5.7 billion bushels as of October 1, up 23 percent from the weather-reduced 1974 crop and a little larger than the previous record 1973 crop of 5.6 billion bushels. Total feed grain crops are estimated at 202 million short tons, 23 percent more than in 1974.

These large crops are expected to result in greater domestic feed grain disappearance and exports in 1975/76, as well as some moderate increase in carryover stocks at the end of the year. But because of very small carryover stocks at the beginning of the year, the 1975/76 feed grain supply is estimated at 219 million short tons, 16 percent larger than the year before, but otherwise the smallest since 1970/71's 209 million tons.

With larger feed grain supplies and improved livestock-feed price relationships, domestic feeding probably will increase about a tenth from 1974/75 while exports could be up around a fifth to a new record high. Even with increased domestic use and exports, carryover stocks will build from the small stocks of 16 million tons carried into the year. However, next summer's carryover may still be less than 1973/74's 22 million tons, and except for last year, would be the smallest carryover since 1950/51.

Until a few months ago, feed grain prices were high in relation to livestock, poultry, and dairy product prices. This contributed to substantial reductions in feeding operations during 1974/75, which in turn led to reduced output and strong prices of animal products. It also contributed to the decline in feed grain prices from November 1974 highs. As a result, livestock and poultry prices had risen enough by early summer 1975 to improve feeding margins, even with relatively high feed prices. Feed grain prices were relatively stable in the third quarter while livestock and poultry prices strengthened and feeding operations began to expand.

Expected levels of supply and disappearance in 1975/76 indicate prices received by farmers for corn may average moderately below the \$2.95 a bushel in 1974/75.

Alternatively, if grain exports turn out to be smaller in 1975/76 than now seems most likely, feed grain prices would probably run somewhat lower and domestic livestock feeding would expand more rapidly. Prices received by farmers for corn might average about \$2.50 a bushel. As a result, domestic grain feeding could be up around 15 percent under this situation as livestock producers expand output.

In contrast, if it becomes evident that exports will be substantially more than now projected, feed grain prices could equal or slightly exceed 1974/75's average price of \$2.95 a bushel. In this case, higher carryover stocks are associated with continued sluggish feed demand as livestock producers cut output in response to relatively high feed costs. (George R. Rockwell, Jr.)

### Record Soybean Supply Puts Downward Pressure on Prices

As of October 1, the 1975 soybean crop was estimated at 1.5 billion bushels, a fifth above last year and second only to the

record 1973 crop. With the large carryover on September 1 of 186 million bushels, 1975/76 soybean supplies total a record 1.7 billion bushels, 18 percent above last season and slightly above the previous high in 1973/74.

With a modest increase in both domestic and export demand likely, utilization would total near 1.3 billion bushels. With a moderate demand for soybean oil and meal, crushings and exports could be up around 5 to 10 percent from last season. This would still leave carryover stocks next fall of around 375 million bushels and farm prices probably would average around \$5 per bushel, down sharply from the record high of \$6.50 now estimated for 1974/75.

Alternatively, if feed use by the domestic livestock industry expands faster than expected and grain exports lag, soybean crushings could increase due to the strong demand for soybean meal. Total soybean use might rise only a little above last year. This would fall short of 1975 output, leading to a large buildup in carryover stocks next September and some further weakening in soybean prices.

Conversely, were domestic feeding to pick up less than currently expected and exports were to be sharply higher, soybean utilization would increase about a tenth above last year. Crushings might increase only modestly from last season due to sluggish demand for soybean meal, but exports could be up substantially. This still would result in a significant buildup in carryover stocks next September. Prices received by farmers would tend to remain relatively strong, although for the season they would still not match the \$6.50 received for the 1974 soybean crop. (George Kromer)

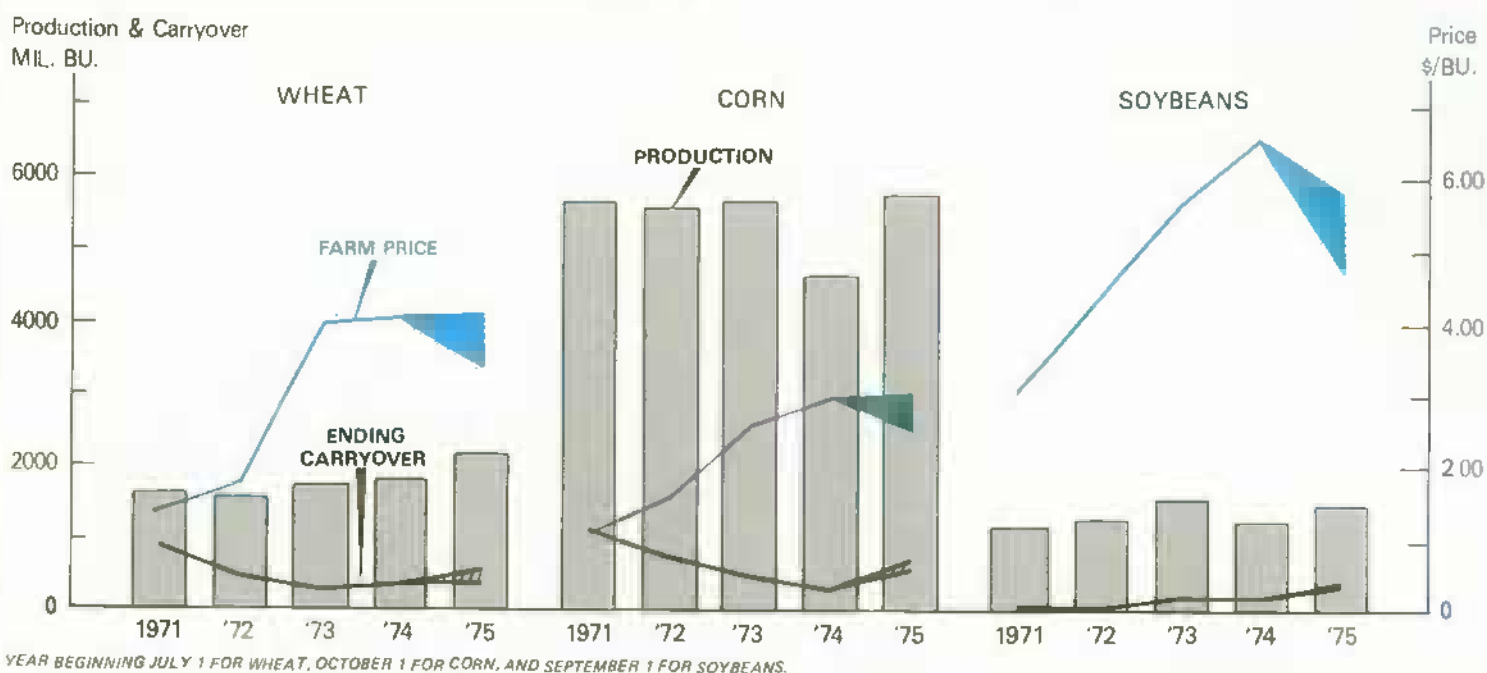
### Wheat Prices Firm Despite Large Supplies

The 1975/76 wheat crop is proving to be a spectacular one. The crop is estimated at a record shattering 2.1 billion bushels, about a fifth larger than last year's harvest and one of the sharpest year-to-year increases on record. On the strength of the record crop and a somewhat larger carryover, 1975/76 wheat supplies have climbed to almost 2.5 billion bushels. This is the largest since the record supplies of the early 1960's when carryovers of over a billion bushels accounted for over half the supply. In contrast, there were no planting restrictions this year and the crop accounted for almost 90 percent of the supply.

Domestic use may show little improvement from around 0.7 billion bushels in 1974/75. Food and seed use are differing little from a year ago, but feeding poses more of a question. Normally July-September is the heaviest feeding quarter but this year feed demand has been especially weak and wheat prices were rising sharply. This is likely to dampen the increase from last year's feed use of about 70 million bushels.



## GRAIN PRODUCTION AND CARRYOVER TO RISE



The world's 1975/76 import demand for wheat is being spearheaded by USSR purchases to offset their poor crop this year. World trade appears to be headed for a record 75 million metric tons, and it appears that the United States likely will account for about 45 percent of total world trade. If U.S. exports reach the projected level, they would surpass the 1972/73 high by around 5 percent. This still will not absorb the 1975 wheat crop and around 175 million bushels would be left at year's end for adding to stocks.

Wheat prices at the start of harvest in June were averaging around \$3 per bushel, almost a dollar below a year ago. But then Soviet demand came into play and by mid-September farm prices had risen to \$4.11 per bushel which was still short of last year. Prices have continued firm in recent weeks.

In looking at alternative export levels for 1975/76, consideration has to be given to the fact that a third of the marketing year is behind us so that much of the season average has already been set.

Alternatively, if U.S. wheat exports were to rise well above what now seems likely, any stock buildup in 1975/76 would be virtually eliminated. Under this situation, market prices would likely rise in the coming months, which could result in a season average farm price somewhat in excess of last year's \$4.04 per bushel.

On the other hand, if export demand should moderate materially, a prospective buildup of U.S. wheat stocks could start to influence markets bearishly. A reduction in the world's wheat demand could reduce our export potential, resulting in somewhat larger stock buildups. In this case, it ap-

pears that prices to wheat farmers in 1975/76 could average below the levels of the past 2 years, possibly closer to \$3.50 per bushel. (Frank Gomme)

### Cattle Inventory Stabilizing, Feeding Picking Up

Cattle slaughter in 1975 may finally have increased enough to stop the growth in the cattle inventory. With total slaughter expected to be up more than a tenth from 1975's 37.3 million head, some decline in live animal imports, and higher death losses this year than last, the January 1, 1976 inventory might run 130 to 132 million head, the same or slightly lower than the number on farms at the beginning of this year. The possible range of slaughter levels for 1976 is wide and by about midyear slaughter rates will begin to depend on prospects for next year's feed grain crop and range and pasture conditions.

More fed beef is in prospect for 1976. Placements of cattle on feed this fall could be up sharply from last year's low level if feeding margins remain favorable as expected. Third quarter placements were up 22 percent from a year ago and cattle on feed inventories just slightly exceeded year-earlier levels on October 1. Thus, the upswing in cattle feeding has begun and a 10 to 15 percent increase in fed beef production seems likely during January-June compared with a year earlier. Even so, output through early 1976 will remain well below recent peak years, and seasonal reductions in nonfed slaughter could offset some of the increase in fed marketings. Although remaining above year-earlier levels, beef production may decline seasonally through the spring of 1976. Fed cattle prices

could rise again in the spring and could meet or exceed 1975 peak prices if nonfed slaughter drops as expected. But during the second half of 1976 more beef and larger pork production could push fed cattle prices lower.

However, alternative developments in the grain market as well as response of cattle producers to changing profit situation during the next several months could heavily influence output and prices of beef in 1976.

This year's grain crop is big enough to allow a significant increase in cattle feeding. With strong prices for livestock products, feeding margins are favorable and producers are now beginning to expand feeding operations. Barring any unusual disturbances, expansion in feeding could be substantial through the middle of next year.

Under the alternative of lower than expected grain prices and an unusually quick response by cattle feeders, output could increase in 1976 more than now seems likely, and livestock prices could be lower. Much of this impact would be felt in the second half of 1976.

However, if grain prices were to move significantly lower this fall than now expected, beef production might fall short of expectations during the next few months. As cattle feeders increased placements, nonfed slaughter supplies would be reduced. Fed beef output would not increase enough to push down beef prices for the next several months, so reduced nonfed slaughter could hold fed cattle prices near or above current levels of about \$47 per 100 pounds until fed beef output increases sharply, perhaps by next spring and summer. In this event, fed cattle prices might be highest early in the year. Reduced nonfed slaughter would tend to strengthen cow and feeder

cattle prices relative to fed cattle prices.

In contrast, were grain prices to rise significantly and discourage cattle feeders from expanding as rapidly as expected, cattle prices this fall and winter could move much lower than current levels as feedlot demand remained low and nonfed slaughter surged. But prices by spring could then move sharply higher as fed beef supplies continued small and nonfed slaughter declined seasonally when spring grazing resumes. Under these conditions, fed cattle prices could top \$60 per 100 pounds by midyear, and 1976 beef production would likely be down from 1975.

Hog producers are beginning to react to record high hog prices and favorable feeding margins. In September, producers in 14 States indicated reductions in farrowings for the balance of 1975 will not be as large as earlier planned, and expansion of around 6 percent is in prospect for this winter. However, pork production will continue below year-earlier levels through early 1976 because of smaller pig crops in the second half of this year.

Pork output next January-March may fall about 15 percent short of this year's reduced level, keeping hog prices relatively high through the winter. A further but much smaller reduction in output appears likely for next spring. But more pork is in prospect for the second half of 1976, beginning with small increases around midyear, then becoming larger toward yearend.

Alternatively, if grain prices for hog producers are lower than currently expected, farrowings this winter may expand even more sharply as feeding profits improve from current record levels. But pork output in early 1976 would still be low and prices high. In the second half of 1976, sharp increases in pork production could push hog prices below \$40 per 100 pounds before yearend.

In contrast, with a slower than expected upturn in feeding, pork production in the second half of 1976 might still increase from this year, but increases might not be large enough to offset reductions in first half slaughter. Even so, production could grow from quarter-to-quarter through the year, placing some downward pressure on prices. (George Hoffman)

#### Poultry Production On the Rise

Favorable feeding ratios during July-September—and the likelihood that they will continue good in coming months—should encourage a moderate expansion in broiler production during the first half of 1976. However, the gain over year-earlier levels may be limited by the size of the hatchery supply flock and available growing and processing facilities.

Broiler producers have expanded placements of pullet chicks for the hatchery supply flock in recent months but it will take a while before these pullets reach laying age. The number of chicks placed 8-14 months earlier indicates the hatchery supply flock

will increase seasonally, but still be down around 5 percent during the first quarter of 1976.

The indicated size of the hatchery supply flock has been somewhat misleading this year because layers have been held in the flock longer and the flock was underutilized during late 1974 and early 1975, when larger cutbacks in production were occurring. Although the indicated flock size in early 1976 will be smaller than a year earlier, broiler producers probably will be able to expand production by a tenth or more during the first half of next year.

However, if feed prices were to drop well below expected levels in late 1975 and early 1976, only slightly more broiler output might develop than now seems likely. Broilers probably would be fed to heavier weights and producers would push their hatchery supply flocks a little harder. Nevertheless, capacity limitations would probably make the additional increase small. On the other hand, stronger feed prices would temper production increases expected early in 1976.

Turkey output through September this year lagged year-earlier levels but probably will be up during the fourth quarter. Producers expanded hatchery activity this summer as the feed-price ratio became more favorable. However, it will be late this year or early 1976 before many of these poults reach marketing age.

Supplies of turkey meat available during October-December will be moderately below a year ago. Although fall output may be up, the increase will not be sufficient to offset reduced cold storage stocks. However, turkey supplies likely will be adequate for the holidays without creating sharp upward price pressures.

Spring and summer turkey prices trended steadily upward as supplies lagged and prices of other meats rose. Prices eased slightly in September when the New York wholesale price for both young hen and young tom turkeys average about 57 cents a pound, 10 to 14 cents above September 1974. Prices likely will increase seasonally and average in the low to mid-60 cents a pound range during the balance of 1975. Turkey prices are expected to decline moderately early next year as off-season production increases. However, turkey prices will stay well above the 50 cents for January-June 1975. (William Cathcart)

#### Egg Output May Gain Slightly Early Next Year

September egg production was about 1 percent above a year earlier. Layer numbers continued below 1974 levels through September but by a narrower gap than last spring, reflecting increased numbers of force-molted hens and reduced culling of old layers. Egg production gained faster than layer numbers because of an increased rate of lay.

Egg production during the balance of

1975 probably will average near a year ago but may be up slightly in the first quarter of 1976 as layer numbers continue to gain. However, production may drop back in the spring. Many of the old layers force-molted last spring probably will be taken out of the flock next spring following the usual post-Easter seasonal price decline.

Egg prices increased to a profitable level this summer but declined as usual in early fall and currently are near a level considered about equal to the cost of production and marketing. Prices are expected to rise seasonally during the rest of 1975, averaging near last year's 63 cents a dozen for grade A large eggs in the New York wholesale markets. Higher prices for high protein foods will help keep egg prices strong during January-March, but prices probably will show their seasonal decline in the spring.

Egg producers have not enjoyed as favorable profits this year as poultry producers. Thus, they are more apt to be influenced by changes in feed prices. A moderate drop in feed prices from expected levels would result in egg producers holding more old hens in laying flocks. Also, producers would probably step up hatchery activity to produce more pullets for flock replacements next spring and summer. This could result in egg production being 2-3 percent above year-earlier levels this fall and early 1976. In contrast, a sharp rise in feed prices late this year and in early 1976 would tend to dampen expansion. (Gerald Rector)

#### Higher Prices To Bolster Milk Production

Rising farm milk prices and improved milk-feed price relationships this fall should stimulate milk production in late 1975 and early 1976. The likelihood of increased milk output was bolstered in early October when USDA increased the price support level for manufacturing grade milk to \$7.71 per 100 pounds from the \$7.24 level in effect since January. Although current farm milk prices are well above new support levels, the action assures farmers that prices will not fall to the levels of earlier this year.

The more favorable milk-feed price relationships of recent weeks combined with greater availability of homegrown feeds, could lead to heavier feeding of grain and other concentrates. Thus, milk production per cow likely will be approaching more normal gains in late 1975. Farmers fed 11 percent more concentrates per milk cow on October 1 than last year. Silage quality is likely to improve this year but high quality hay may be in tight supply. The declines in milk cow numbers likely will remain relatively small through the first half of 1976 as cull cow prices are expected to continue low and no substantial improvement is seen in economic alternatives for dairymen.

Milk production in late 1975 may well climb above year-earlier levels, bringing milk output for all of 1975 close to 1974's 115.4



billion pounds. These gains likely will extend into early 1976 and milk production for the first half of 1976 may total about 1 percent above a year earlier.

Farmers received an average \$8.96 per 100 pounds of milk in September, up more than a dollar from the June seasonal low and almost 90 cents above last September. Farm milk prices will continue to rise seasonally during the rest of the year and may average about a tenth or more above year-earlier levels. Increasing milk production and consumer resistance to higher retail dairy prices may trigger sharper-than-normal seasonal price declines in early 1976, although the potential drop in milk prices will be limited by the recent price support increase. (James J. Miller)

### Fall Fresh Vegetable Supplies Trimmed, Prices Firm

Fresh vegetable acreage for fall harvest is 1 percent larger this year. However, supplies may run moderately smaller if yields

are about on trend. The largest acreage gains are in the salad vegetables—tomatoes, peppers, and cucumbers—while broccoli and cabbage plantings are both substantially smaller this year. Grower prices for fresh vegetables are likely to be the same to moderately higher than last year's fourth quarter. Nevertheless, substantially larger supplies of canned and frozen vegetables are likely during the marketing year which ends next summer.

With reduced disappearance of 11 canned vegetable items in 1974/75, the carryover was larger this year. Coupled with a materially larger tomato tonnage, this is boosting this year's total pack volume of canned vegetables. Excluding tomatoes, the pack of canned vegetables probably will be about the same as a year earlier. If current expectations are realized, processing vegetable tonnage this season will be up slightly more than a tenth from 1974. Aside from the record large tomato crop, increased tonnage of lima beans, cucumber pickles,

and sweet corn probably will offset smaller crops of snap beans, beets, peas, and cabbage for sauerkraut. Tomatoes comprise about two-thirds of all processed vegetable tonnage this year. With larger carryovers, canned tomatoes and tomato products will be in substantially heavier supply this season.

Frozen vegetable supplies also are expected to be moderately larger this season. The carryover of seven leading items was sharply larger this year and pack prospects at this time suggest little overall change from 1974. Stocks of frozen vegetables on October 1 were 1.7 billion pounds, a record for the month, with some pack activity still ahead. Holdings reach their seasonal high in November. Wholesale prices are likely to be steady to slightly weaker on the average this season because supplies of all processed vegetables are the largest in recent seasons. Processors' costs in making packs were higher again this year. Thus, processors are reluctant to make more than slight price concessions to move goods. There have been more promotional allowances offered buyers this fall than has been the case the past two marketing seasons.

Indicated U.S. potato production, 8 percent lower than during the fall of 1974, is currently set at 267 million cwt. However, regional differences point to stable to seasonally lower crop prices in the Pacific Northwest. Output in Idaho, Nevada, Oregon, and Washington combined is 146 million cwt., compared with 143 million cwt. last fall. But moderately higher grower prices this fall are expected for round white and round red potato supplies, primarily because Maine's crop, estimated at about 27 million cwt., is 26 percent under fall 1974. Also, the Midwest will be harvesting nearly a fifth less tonnage this year. Fresh market prices at retail likely will trend upward later as the storage season unfolds, with peaks in February-April 1976. Larger supplies of instant mashed and frozen french fried potatoes will partially offset the smaller crop.

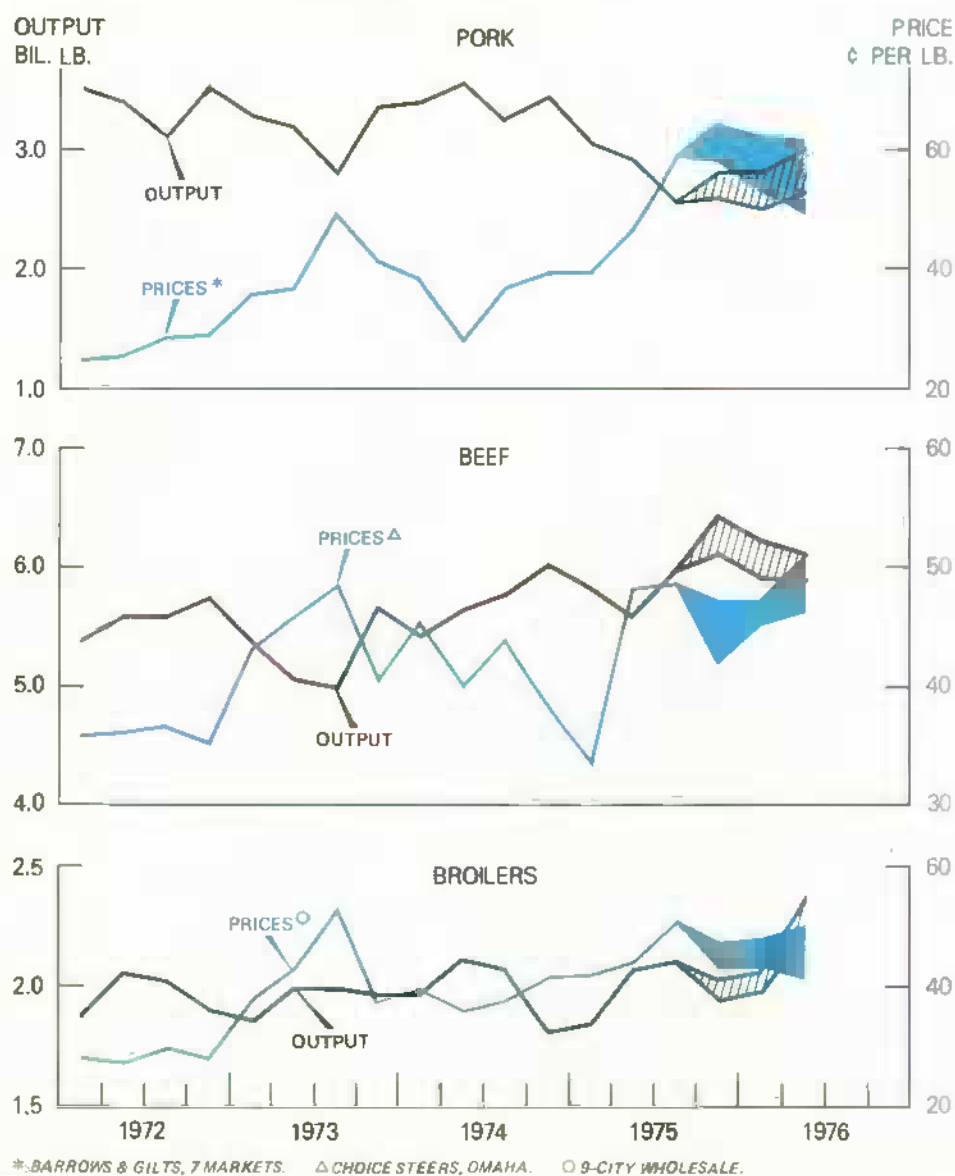
For processing, total crop use in 1975/76 may claim about 5 percent fewer potatoes than 1974/75. Unsettled grower prices in the early part of this season and heavy stocks of processed supplies may discourage or delay some of the usual processor demand. (Charles Porter and Joseph Combs)

### Large Fruit Supplies Expected

The first forecast of U.S. citrus production for the 1975/76 season points to a crop nearly as large as the record in 1974/75. While orange and lemon production is expected to be smaller, record crops are currently indicated for grapefruit, tangerines, temples, and tangelos.

Demand for frozen concentrated and chilled orange juice was very strong during 1974/75 and further increases are likely this marketing year. As a result, prices for these items may be moderately higher this season. With moderately lower carryover stocks of

## LIVESTOCK PRICES TO REMAIN STRONG





frozen concentrated orange juice, plus a slightly smaller crop of early, mid-season, and Navel varieties, market prospects for oranges through this winter point to prices slightly higher than a year earlier.

The 1975 noncitrus fruit crop is forecast at 11.7 million tons, 5 percent above last year's utilized level and 7 percent above 1973. The increase is due primarily to larger production of apples and grapes. Shipping point f.o.b. prices for apples, grapes, and pears so far this season are generally moderately to substantially lower than a year ago. Available supplies for fresh market are expected to be larger this season since weaker processor demand is expected as a result of larger carryover stocks of most processed noncitrus fruit items. Thus, grower prices for fresh noncitrus fruit are likely to be substantially below year-earlier levels through this fall.

The 1975/76 pack of canned noncitrus fruit is running smaller than last season's large output. However, even with a small reduction in expected pack, total supplies of canned fruit this season will still be large because of the large canner stocks on hand at the beginning of the season. Supplies of dried fruit are also expected to be larger than a year ago, while those of frozen fruit items could be near year-earlier levels. Consequently, wholesale prices of most processed noncitrus are likely to fall slightly or moderately below a year ago. However, as the economy is recovering, demand for processed fruit items could strengthen during 1975/76. The increased demand combined with higher costs of marketing could dampen the downward pressure on retail prices. (Andrew Duymovic and Ben Huang)

#### Sugar Production Gaining

Domestic production of beet sugar likely will total from 3.6 to 3.8 million short tons, raw value, up from less than 3 million in 1974. Cane sugar production likely will total 2.8 to 3.0 million tons, up from 2.5 million in 1974. Most of the increase in U.S. beet sugar production is coming from expanded acreage, while the increase in cane production is coming from both expanded acreage and higher yields. Estimated calendar 1975 production of around 6.2 million tons may total more than 0.6 million tons larger than in 1974. This year, imports may now total some 4 million tons, down nearly 2 million tons from 1974.

U.S. raw sugar prices in mid-October were averaging about \$15 per cwt. (New York Spot). With prospects for a 5.5 million short ton increase in the world crop this year, U.S. prices likely will not rise much from current levels, and may decline somewhat further.

Total sugar deliveries in 1976 likely will gain some from 1975's estimated level of under 10 million short tons. In 1975, domestic production likely will approximate 1974. But because of anticipated higher total deliveries, U.S. imports are expected to

increase somewhat in 1976 over this year's reduced level. (Fred Gray)

#### Cotton Use To Increase

Smaller cotton supplies and larger disappearance are expected in 1975/76. The carryover of 5.8 million bales this season was 2 million larger than a year earlier. But with a sharply smaller 1975 crop, the total supply will fall a little short of 1974/75's 15.4 million bales. On the demand side, larger U.S. mill consumption probably will more than offset slightly reduced export prospects, meaning that the carryover next July 31 may be some 4 to 5 million bales.

Production prospects have deteriorated since early September. Based on the October 1 estimate, the 1975 crop will total around 9 million bales, 3 percent below month-earlier prospects and 22 percent below 1974.

Domestic mills during 1975/76 will use considerably more cotton than last season's 5.9 million bales, which was the smallest since the 1930's. Consumption is now placed at 6½ to 7 million bales. The exact level will depend primarily on the strength of recovery in general economic and textile activity as well as competition from manmade fibers.

Much uncertainty surrounds export prospects for 1975/76. Total commitments stand at slightly over 2 million bales, about 0.6 million of which were shipped out during August and September. But few sales are being made now in light of continuing depressed foreign cotton textile activity. Also, large foreign stocks of cotton, most of them priced considerably below U.S. growths, will have to be worked off before U.S. cotton will again move into export channels in volume. But foreign demand is expected to pick up in early 1976. And assuming U.S. cotton becomes more competitive on the world market, another 1½ million bales may be sold for delivery late in the season. If so, this will mean total 1975/76 exports in the range of 3½ to 4 million bales, marginally below last season's level.

U.S. cotton exports this season could slightly exceed the 1974/75 level if foreign demand recovers more quickly than now anticipated and U.S. prices become more competitive. Under these conditions, prices would average a little higher, and U.S. mill use could total closer to 6½ million bales. As a result, ending stocks of around 4 million bales would be indicated.

However, if the recovery in cotton demand abroad comes much later in the season than now expected, foreign cotton could supply most of the needs of mills overseas. U.S. cotton exports would suffer as very few additional sales would be made in time for 1975/76 delivery. U.S. exports would total substantially below the 1974/75 level. However, slightly lower prices could encourage larger U.S. mill use of around 7 million bales. This set of developments would result in ending stocks next summer of 5 to 5½ million bales. (Russell Barlowe)

#### Increasing Demand, Smaller Clip Suggest Improved Wool Prices in 1976

The wool outlook for 1976 depends to a considerable extent on the economic recovery and on policies of foreign governments, especially Australia, with respect to their large stockpiles of raw wool, wool support prices, and currency devaluation.

Foreign governments are likely to continue to support wool prices at current levels and continue to stockpile raw wool if necessary. Furthermore, the impacts of the recent devaluations of the New Zealand and South African currencies on U.S. exports/imports of raw wool have been offset by increases in the wool support prices in those countries. Weakening of the Australian currency with respect to the U.S. dollar and the relatively stronger U.S. demand for wool, points to a reversal of the current upward trend in U.S. exports and the downtrend in imports of raw wool. This will exert some downward pressure on domestic wool prices. But with a pickup in the general economy, an increase in U.S. apparel wool consumption this year of 15-20 percent above 1974 and further increases in 1976 seem likely. This, along with an expected drop of 5 to 10 percent in shorn wool production, indicates slightly higher prices for the 1976 clip. (Sam Evans)

#### Domestic Tobacco Consumption To Rise

Tobacco disappearance remained stable in the third quarter with a slight gain in U.S. cigarette output being offset by declining exports of unmanufactured tobacco. Nevertheless, tobacco leaf disappearance in 1975/76 will be above the previous year but probably not up to that achieved in the 1973/74 season.

With marketing quotas increased this year, the 1975 tobacco crop is the largest since 1964 and about 9 percent larger than last year. Coupled with a 1 percent gain in carryin stocks, total supplies are 4½ percent larger than a year earlier.

In the flue-cured area, the final quarter of the auction season is underway with prices holding below the record highs set last October. The flue-cured price has averaged about 6 percent below last season. In view of the weak demand pattern, USDA has indicated it will lower next year's flue-cured quota.

This year's burley crop is larger than annual disappearance. Nevertheless, auctions opening the end of November are likely to average near the record levels set in burley last year. An allowance for this season's production increase and more restricted increase in utilization means that the basic quota for burley may remain about the same for next year.

Projections are for the all-tobacco crop in 1976 to be about the same size as this year. The legal formula indicates price supports would go up 13½ percent above the 1975 level. (Richard Hall)



## FOOD

Retail food prices in September were down 0.2 percent from August, registering the second consecutive monthly decline following 2 months of sharp increase. All of the decline between August and September was due to a 0.4 percent dip in food at home prices. Retail prices for restaurant meals and snacks rose 0.7 percent, averaging a little over 8 percent above September 1974. Prices for food eaten at home averaged a little less than 8 percent over a year earlier.

The monthly drop for food at home prices reflected an 8½ percent decline for fresh fruits and nearly a 12 percent drop for fresh vegetables. Prices for cereal and bakery products were a little lower. Offsetting was an 8½ percent increase for eggs, while prices of poultry, dairy products, fish and beverages advanced 1 to 2 percent. Prices for processed fruits and vegetables, sugars and sweets, and vegetable oil products increased by less than 1 percent. Red meat prices averaged about the same as in August, with a 3 percent drop in beef prices offsetting a nearly 4 percent rise for pork and a 1 percent increase for other meats.

The Wholesale Price Index for all foods rose 0.4 percent in September, following an equal decline in August. Red meats and dairy products rose about 3 percent, while fish advanced 2 percent. A sharp increase for eggs, and higher prices for fresh fruits and vegetables, cereal and bakery products, poultry, and beverage materials also occurred. Sugar prices dropped sharply.

### Food Prices May Rise Slightly

Retail food prices may increase slightly during the fourth quarter. Compared to the previous quarter, lower prices are likely for beef, poultry, fresh fruits, and potatoes. But increases for most other food categories,

especially pork, eggs, and dairy products are likely to be more than offsetting.

Fourth quarter food prices are now expected to average about 8 percent above a year earlier. Pork and fresh vegetables likely will show the greatest increases from a year ago with poultry, fishery items, dairy products, and non-alcoholic beverages also registering significant advances. Smaller price increases are associated with beef and veal, eggs, fresh fruits, processed fruits and vegetables, and cereal and bakery products, while prices for vegetable oil products as well as sugar and sweets may be down from their high levels of a year earlier.

Retail food prices for all of 1975 likely will average 9 percent above 1974. Food prices advanced sharply during June and July following a period of relatively stable prices during the winter and early spring. Prices again stabilized during the late summer leaving the third quarter average about 4 percent above the previous quarter and about a tenth over a year earlier.

Under the "most likely" conditions, food prices may show modest quarter-to-quarter rises in the first half of 1976. In the first quarter, output of meat and poultry may decline slightly while the second quarter may see small seasonal price increases for beef, fruits and vegetables. Strengthening domestic demand and increased marketing costs will also place upward pressure on prices. For the January-June period of 1976, food prices will likely average around 7 percent above a year earlier.

Looking at the alternative situation where grain exports were lower than now anticipated and livestock producers stepped up feeding more sharply, food prices might rise only fractionally this winter as fed beef and poultry output expands. Further recovery of livestock feeding including increased pork output may result in a slight decline in average prices of food at home in the spring. On the other hand, higher exports and a low feeding response could cause food prices to rise only moderately early next year as slaughter of cattle and calves with little or no grain feeding continues at a fast pace and partially offsets further reductions in output of other animal-related foods. However, food prices likely would jump sharply in the spring as beef output contracts to join continued low production of other livestock-related foods and prices of crop-related foods advance to reflect higher raw-product costs.

### Food Consumption Drops

Per capita food consumption in 1975 may fall a little over 1 percent from a year ago, to the lowest level in 7 years. A 2 percent reduction in consumption of animal-related food products may account for almost all of the decline. Supplies of fed beef, pork, and poultry products have been severely constricted this year because of

tight supplies and high costs for livestock feeds resulting from the drought-reduced harvests of feed grains and soybeans in 1974. Crop-related food consumption per person in 1975 likely will be down fractionally from last year as higher prices and sluggish demand limited product movement for many highly processed foods. (Larry Summers and Anthony Gallo)



## MARKETING

The rate of increase for farm-retail spreads may slow in the first half of 1976 compared with a year earlier. Marketing spreads—which represent charges for assembling, processing, transporting and distributing a market basket<sup>1</sup> of farm produced foods—are expected to widen by around 5 percent in the first half of 1976 over year earlier levels. This compares with an 11 percent increase for the first half of this year. Much of this increase will be for livestock products—meats, dairy, and poultry. Uncertainty prevails concerning farm-retail spreads for crop products, particularly bakery and cereal products and fats and oils products. In 1975, farm-retail spreads for these groups averaged from 20 to 25 percent wider than the already inflated level for 1974. Since the increase in spreads for these items appears to have been greater than increases

<sup>1</sup> The market basket represents the average quantities of U.S. farm-originated foods purchased annually per household in 1960-61. Retail cost of these foods is based on an index of retail prices for domestically produced farm foods, a component of the Consumer Price Index published by the Bureau of Labor Statistics. The farm value is the payment to farmers for equivalent quantities of food products minus allowances for byproducts. The farm retail spread is the difference between the retail cost and farm value.



**Market Basket of Farm Foods<sup>1</sup>**

Period	Retail cost	Farm value	Farm-Retail spread	Farmer's share
	1967=100			Percent
1964	93.4	90.0	95.5	37
1965	96.0	99.2	93.9	40
1966	101.1	106.3	97.8	41
1967	100.0	100.0	100.0	39
1968	103.6	105.3	102.5	39
1969	109.1	114.8	105.5	41
1970	113.7	114.1	113.4	39
1971	115.7	114.4	116.5	38
1972	121.3	125.1	118.9	40
1973	142.3	167.2	126.4	46
1974 <sup>2</sup>	161.9	177.6	152.0	43
1973				
I	130.8	149.4	119.0	44
II	138.5	160.8	124.4	45
III	148.4	186.0	124.6	49
IV	151.3	172.7	137.7	44
1974 <sup>2</sup>				
I	159.2	185.8	142.3	45
II	160.2	168.9	154.6	41
III	162.0	177.1	152.4	42
IV	166.3	181.3	156.7	42
1975 <sup>2</sup>				
I	168.8	172.8	166.3	40
II	170.1	182.8	162.0	42
III	177.6	199.8	163.6	44
IV				

<sup>1</sup> Represents all foods originating on U.S. farms sold in retail food stores. The retail cost is a component of the Consumer Price Index published by the Bureau of Labor Statistics. The farm value is the payment to farmers for equivalent quantities of food products. The farm-retail spread is the difference between retail cost and farm value. <sup>2</sup> Preliminary.

in wages and other marketing costs, there is a possibility that spreads for bakery and cereal products and fats and oils products could either level out or perhaps contract.

Gross returns to farmers for a market basket of food commodities equivalent to retail units most likely will continue at record levels in the first half of next year due mainly to higher returns for livestock products. Retail prices for foods from U.S. farms may average around 7 percent higher in the first half of 1975 than in the first half of this year reflecting both wider marketing spreads and higher prices at the farm level.

The farmer's share of the consumer's dollar spent in retail food stores may average around 43 cents in the first half of 1976, compared with 41 cents in the first half of 1975.

Farm-retail spreads widened 1 percent in the third quarter of 1975 recovering part of the 2.5 percent decrease which occurred in the second quarter. Wider spreads for meats and fresh fruits and vegetables contributed most to the third quarter increase, while spreads for most other foods decreased.

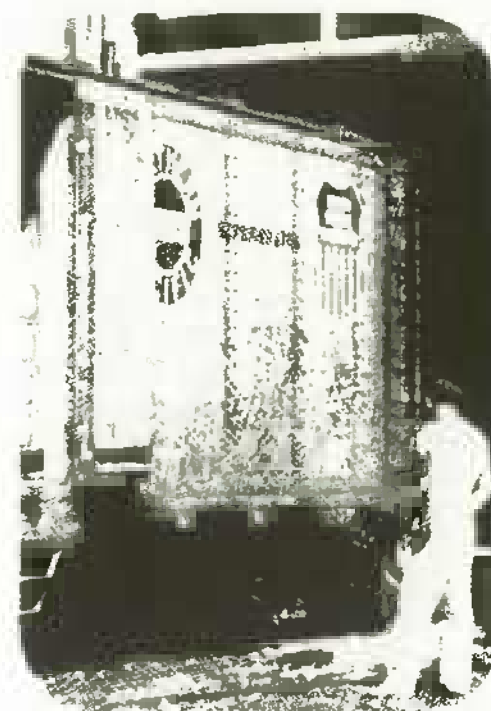
Third quarter spreads averaged 7 percent wider than a year earlier. Marketing spreads are expected to average about 8 percent wider in 1975 than in 1974. Rising wages and prices of materials and services purchased by food marketing firms undoubtedly contributed to this rise and will continue to be a dominant influence on marketing spreads and food prices. However, spreads for market basket foods have been increasing at a decreasing rate since the first quarter of this year, and in the fourth quarter may average only 3 percent wider than a year earlier, compared with about a 17 percent increase in the first quarter of 1975. Returns to farmers increased steadily each quarter of 1975.

The retail cost of the market basket of U.S. farm food products averaged \$1919 (annual rate) in the third quarter of 1975, up over 4 percent from the previous quarter. Sharp price hikes for beef, pork, poultry, eggs and fresh fruits and vegetable accounted for most of the rise. In contrast, prices dropped sharply for bakery and cereal products, oilseed products and sugar. Prices for other farm foods changed little. Compared

with a year ago, the retail cost of the market basket in the third quarter was up about 9½ percent.

Returns to farmers for market basket foods increased some 9 percent from the second to the third quarter as prices for most products rose significantly in July and September. Prices for hogs, poultry, eggs, potatoes and oilseed led the increase. Returns for apples, a few vegetables, and sugar decreased. Farm values in the third quarter averaged 13 percent higher than a year earlier. Farm values were up for most products except wheat and other ingredients in bakery products, oilseed products, and sugar. Increases were largest for meat animals and poultry. The farmer's share of a dollar spent in retail food stores for market basket foods was 44 cents in the third quarter of 1975, compared with 42 cents in the previous quarter and a year earlier.

For the first time in the history of the beef and pork price-spread series, the retail price for pork cuts in September exceeded the price for Choice beef. Prices for pork averaged a record \$1.54 per pound, 1 cent higher than for beef. The farm value of the live hogs equivalent to a pound of pork cuts averaged \$1.07, leaving a farm-retail spread for pork of 47 cents in September. Hog prices averaged more than \$60 per 100 pounds in 7 midwestern markets in September, an all time high. With prospects for continued small supplies of slaughter hogs well into 1976, pork prices and marketing spreads may quite likely continue near record levels. (Henry Badger and Denis Dunham)



## TRANSPORTATION

Expanded overseas demand for U.S. grain, due in part to Soviet purchases this summer, raised concerns about the impact



of large exports on our transportation system. However, the system is functioning at a pace seemly capable of moving the sales. Slackened demand from the general economy has lessened railcar activity. Total railcar loadings of all freight commodities through mid-October have been about 15 percent lower than the same period of the past 2 years. In mid-October, railcar loadings in 17 of the 21 rail freight commodity groups were down relative to a year ago.

Railcar loadings of grain through mid-October this year have been down nearly a tenth from a year ago and more than a fifth below the 1973 period. However, after mid-May grain loading activity increased, reaching and sustaining higher levels than a year earlier after mid-summer and even throughout August and September, a period when activity normally declines. Grain loading activity for the week ending October 11 reached nearly 34,500 cars, 12 percent above a year ago, and 7 percent above the high 1973 level. This increased level of grain loadings, which are tightening the railcar situation, could help take the edge off peak demand which usually comes a bit later in the fall.

Some rail car shortages have occurred during harvest, although major problems are not anticipated this year because of the slackened general economy and the extended time period under export agreements. There have been reports of shortages of covered hopper cars in certain sections of the country, but shippers have generally declined offers of box cars as substitutes for hoppers. Rail embargoes for excessive car accumulation were in effect in mid-October at several elevators including two at both Houston and Corpus Christi, and one at Mobile. The recently announced 5-year agreement on sales of grain to the USSR gives the transportation industries some assurance that grain traffic will continue to move in sizable volumes in coming years. Thus, the system can plan its future capacity with better information about agriculture's requirements.

Since the end of August, railcar loadings of farm products other than grain have averaged slightly above last year's level, totaling nearly 12,300 for the week ending October 11. Such shipments usually take a seasonal upturn toward the end of September with a peak generally reached around mid-November. A similar pattern seems to be occurring this year.

During August and September, railcar loadings of grain mill products remained at about year-earlier levels, although loadings in early October were up from the same period of the past 2 years. Grain mill products are largely for domestic use and shipments are more steady from year to year and vary less seasonally than whole grain shipments, although they were much lower at the beginning of 1975 than in recent years. Loadings for the remainder of

the year should remain fairly stable.

A depressed housing industry and slow paced economy have kept primary forest products railcar loadings significantly below levels of the past two years although they rose in August and early September above levels seen earlier in the summer. Loadings in early October were about 7 percent below year-earlier levels.

The total number of new revenue freight cars installed for the year ending this August was over one-fifth greater than in the previous year. While newly installed covered hoppers fell somewhat, the number of new box cars installed dropped a fourth. Orders for new and rebuilt freight cars were higher in August than in July but were still down over a half from a year earlier.

#### Barge Traffic Heavy

Barge shipments of grain have been heavy. Since late June, shipments have been significantly above last year and even greater than in 1973. Grain shipments reached a peak in July and have since tapered off, although they have maintained a higher level than earlier years. Continued heavy barge shipments of grain, primarily corn, will probably help to ease the sharp peak in demand which usually occurs in November. However, by the end of September supplies of barge equipment were tightening.

Great Lakes shipping activity was strong enough through September and early October with the bulk of charters reported for heavy grains, soyas, and sorghums. Charters from the Great Lakes to the Soviet Baltic for 250,000 tons of grain to move in ten voyages were made for the 1976 season. The 1975 navigation period on the Montreal-Lake Ontario section of the St. Lawrence-Great Lakes Waterway will be extended until December 18, only 5 days shorter than the Seaway's latest closing which was in 1972.

#### Rail Freight Rates Still Rising

Rail freight rates continue to increase. The Interstate Commerce Commission (ICC) allowed a 2½ percent general rail rate increase to become effective on October 11. This rise represents the second stage of a 7½ percent rate increase to cover higher labor costs. The 5 percent first stage became effective back in June. The rail freight rate index published by the Department of Labor remained almost the same from August to September. However, rail rates have risen nearly 35 percent during the past two years, compared to about a 15 percent increase for regulated motor carriers.

In addition to these rate changes, the ICC Review Board has permitted three railroads to cancel reduced winter rates on grain moving from origins in Minnesota, Montana, and the Dakotas to the Twin Cities, Duluth and Superior. The effect of the cancellation will be to apply higher summer rate levels year round. The railroads originally intro-

duced winter rates in 1963 to reflect varying demand levels during different shipping seasons and to effectively meet severe unregulated truck competition.

The new Soviet grain rate agreement, which became effective September 22nd and will continue until the end of 1976, requires the Soviet Union to pay U.S. flag lines a minimum of \$16 a ton for transporting grain purchased in the United States. The previously negotiated rate of \$9.50 a ton expired in June.

Discussions are continuing on extension of the three year U.S.-Soviet maritime agreement that expires at the end of this year. Maritime unions are hoping the new agreement will increase the share of grain shipments to the Soviets moved on U.S. flag ship lines from a third to a half. (Deborah D. Pollock)



## INPUTS

The current outlook for agricultural inputs is dominated by higher prices and increased availabilities. Prices paid by farmers for production items, interest, taxes, and wage rates averaged 10 percent above a year ago through September this year. Production expenses are also higher despite reduction in purchases of some items, primarily fertilizer, farm machinery and feeder livestock. However, price increases for production inputs may slacken, which would hold down the rise in farmers' production expenses.

More fertilizer is likely to be available next year as new plants commence operation and other plants that began operating this year provide a full year's output. However, with reduced availability of natural gas, there could be some cutback in nitrogen fertilizer output below potential levels.

The overall fuel supply outlook for farmers is good, although problem areas do exist for natural and LP gas supplies. Propane supplies for grain drying will be tight this fall.

Farm loans outstanding by the beginning of next year may be up around a tenth from a year ago. The use of loan funds for livestock raising or finishing is probably still under a year ago, but may increase as livestock feeding picks up. Lenders appear to have sufficient funds though interest rates continue at high levels.

Farm machinery sales are lagging and inventories are being rebuilt. However, the trend toward purchasing larger machinery units appears to be accelerating this year. Gains in farm machinery prices are continuing to slow.

### Feed Sales Pick Up

Commercial feed business in the United States has shown improvement as colder weather turned farmers to more feeding. Regional variations are the result of both prevailing weather and prices received by farmers for livestock and poultry products.

Both cattle feed and dairy feed sales were generally stronger and showed an overall improvement from last month. Hog feed sales decreased from previous levels which is attributed to lower numbers. Poultry feed use was steady and turkey feed sales were seasonally strong. Some regional feed manufacturers have reported working overtime to meet demand.

Prices paid by farmers for feed during the past month dropped on the average about 1 percent. Compared with a year ago, prices were down about 8 percent. Lower corn and hay prices accounted for most of the decline. Oilseed meals and high-protein feeds were up slightly in September from the previous month. However, in recent weeks, high-protein feeds moved mostly lower, while mid-protein feeds showed strength as more cattle moved into feedlots. In general, prices of feedstuffs during the first half of October traded in a mixed trend. Feedstuff demand and purchases still center around satisfying only immediate needs of the feed manufacturer. (Carl J. Vosloh, Jr.)

### Reduced Gas Supplies To Cut 1976 Fertilizer Output Below Potential

Output of nitrogen fertilizer will be about 4 percent below what we could produce this winter because deliveries of natural gas to ammonia manufacturers will be cut by an equivalent amount, according to a recent Interagency Fertilizer Task Force Survey. Over the 12 months ending March 31, 1976, ammonia producers estimated their output would be reduced 670,000 tons if gas deliveries agree with current estimates. However, delivery estimates are based on average winter weather. If the winter is severe, gas deliveries to ammonia plants may be reduced even more.

The 670,000 ton reduction in ammonia

output represents about 4 percent of rated domestic production capacity and is about double the production reported lost during 1974/75. This much ammonia, 670,000 tons, contains 550,000 tons of nitrogen. Only 6 States used this much or more nitrogen in 1974.

Over half of the total reduction, 380,530 tons ammonia, is scheduled to take place in January - March 1976. This is the period of greatest need for fertilizer production for delivery during the spring planting season. Hardest hit is the combined Northeast and Appalachian region where the potential reduction in ammonia production will be equivalent to a fourth of the nitrogen used in these 16 States in 1974. The greatest production cut will occur in the Corn Belt where nearly 180,000 tons of nitrogen may be lost due to curtailment of gas deliveries. This tonnage in the Corn Belt accounts for a third of the total estimated loss in the United States. (John F. Gale)

### Nonreal estate farm debt growth slows

Nonreal estate farm debt is rising more slowly this year than last. Debt owed to institutional lenders was 10 percent larger on June 30, 1975 than a year earlier; during 1973/74 the gain had been 17 percent. Debt owed to noninstitutional lenders, such as merchants and dealers and other related sources, probably continued to increase very little in 1974/75 so that total nonreal estate debt was up about 9 percent.

The reduced growth rate of nonreal estate debt appeared to reflect less overall demand among farmers, particularly in the cattle producing areas. Also, many farm operators have made large past purchases of machinery and other farm inputs, and their demand for further purchases are not now as strong. However, some improvement in cattle prices in the last several months and expectations of larger grain exports have improved farm income prospects and will likely cause lending activity to strengthen.

There was great variation in loan growth among the different nonreal estate lenders in the 1974/75 period. Loans of banks, the largest lender, rose only 3 percent, compared with a 15 percent gain during 1973/74. Loans of Production Credit Associations (PCA's) in contrast rose nearly as rapidly in 1974/75 as in 1973/74, 18 percent compared with 21 percent. Banks were reported to have experienced a slower growth in their funds available for farm lending, and may have reduced their lending to cattle producers considerably. Over the years, PCA's have handled an increasing share of the total nonreal estate loan market. They held 8 percent of the total on January 1, 1950, compared with 27 percent at the beginning of this year.

Outstanding loans by the Farmers Home Administration rose 60 percent during 1975, reflecting a great expansion in their emergency loans. Emergency loans outstanding

on June 30, 1975, were about a half billion dollars greater than a year earlier, a significant portion of the approximately \$3 billion increase in total nonreal estate debt of all nonreal estate institutional lenders in the twelve month period. These loans carried a favorable interest rate (5 percent) and were available to farmers in counties where property damage or severe production losses have occurred because of a disaster, and the area has been designated as eligible for assistance. The large emergency loan program in 1975 reflects the adverse weather conditions in many counties of the Nation during the previous year. (Philip Allen)

### Farm Machinery Demand Continues Down; More Large Units Purchased

Unit sales of most farm machinery through August were down from the year before, as the large number of machines added to in-field stocks appears to be diluting demand somewhat. Sales of tractors were down 17 percent, hay balers dropped 16 percent, and forage harvesters declined 30 percent. On the other hand, sales of self-propelled combines continued strong, with purchases up 13 percent from a year ago in January-August. Inventories of most machinery continued to rise from a year ago—2-wheel drive tractors were up 67 percent, forage harvesters rose 4 percent, and combines increased 11 percent. However, there was a tenth fewer hay balers on hand.

The trend toward purchases of larger units of machinery appears to be accelerating in 1975. As a proportion of total unit sales through August, purchases of tractors of under 50 PTO-horsepower were down from 28 percent in 1974 to 27 percent this year. Proportions of units sold with 50 to 120 horsepower were relatively constant at 44 percent. The most significant change, however, was in 2-wheel drive units with at least 140 horsepower. Their proportion of cumulative January-August sales increased from 9 percent in 1974 to over 12 percent this year.

A similar trend toward larger sizes of machinery is occurring in the hay baler market. Balers which form large bales, some round, some rectangular, have been selling well, while sales of conventional balers have declined markedly. A survey of farmers' buying intentions in 8 north central states showed that farmers planned to buy some 23,200 balers in 1974, of which 27 percent were large balers. A similar survey for 1975 showed of the 22,600 balers that farmers planned to purchase, 49 percent were to be the larger type.

A continued slowing of the wholesale price index for agricultural equipment indicates reductions in the rate of increase of prices paid by farmers are likely by the end of the year. The September wholesale price index was 11 percent above a year earlier, but only 0.2 percent above August. In September 1974, the index increased 22 percent over a year earlier. (Duane Paul)





## WORLD AGRICULTURE AND TRADE

The international agricultural situation continues to be dominated by the sharp reduction of grain production in the USSR and the smaller declines in both Western and Eastern Europe. But world agricultural production is more favorable than a year ago. Grain production in the developing countries will probably still be up about 8 percent from a year earlier with the excellent monsoons in South Asia and a more normal rainfall in the rest of Asia and in Africa. Despite record plantings of grains, oilseeds, and other food crops in Latin America, growth in agricultural output will be restricted by adverse weather which reduced yields.

The United States has concluded a long-term grain sales agreement with the Soviet Union. Effective next October 1 for a five-year period, the pact calls for the USSR to purchase 6 to 8 million metric tons of wheat and corn annually from the United States at market prices. At the same time, the temporary moratorium on current-year sales of U.S. grain to the USSR was lifted. The USSR may purchase without prior consultations up to 7 million tons additional U.S. grain from this year's crop.

Continuing hot, dry weather has brought successive reductions in Soviet grain production estimates this year. USSR total grain production as of late October is estimated at around 160 million metric tons, about 55 million less than this year's production goal and 35 million below 1974 output. Wheat production is expected to total 75 million tons, about 10 percent below 1974 output and the smallest crop in a decade. Coarse grain production will probably fall to

around 73 million tons, more than 20 million below the 1973 and 1974 crops. Miscellaneous grains are expected to be at 12 million tons.

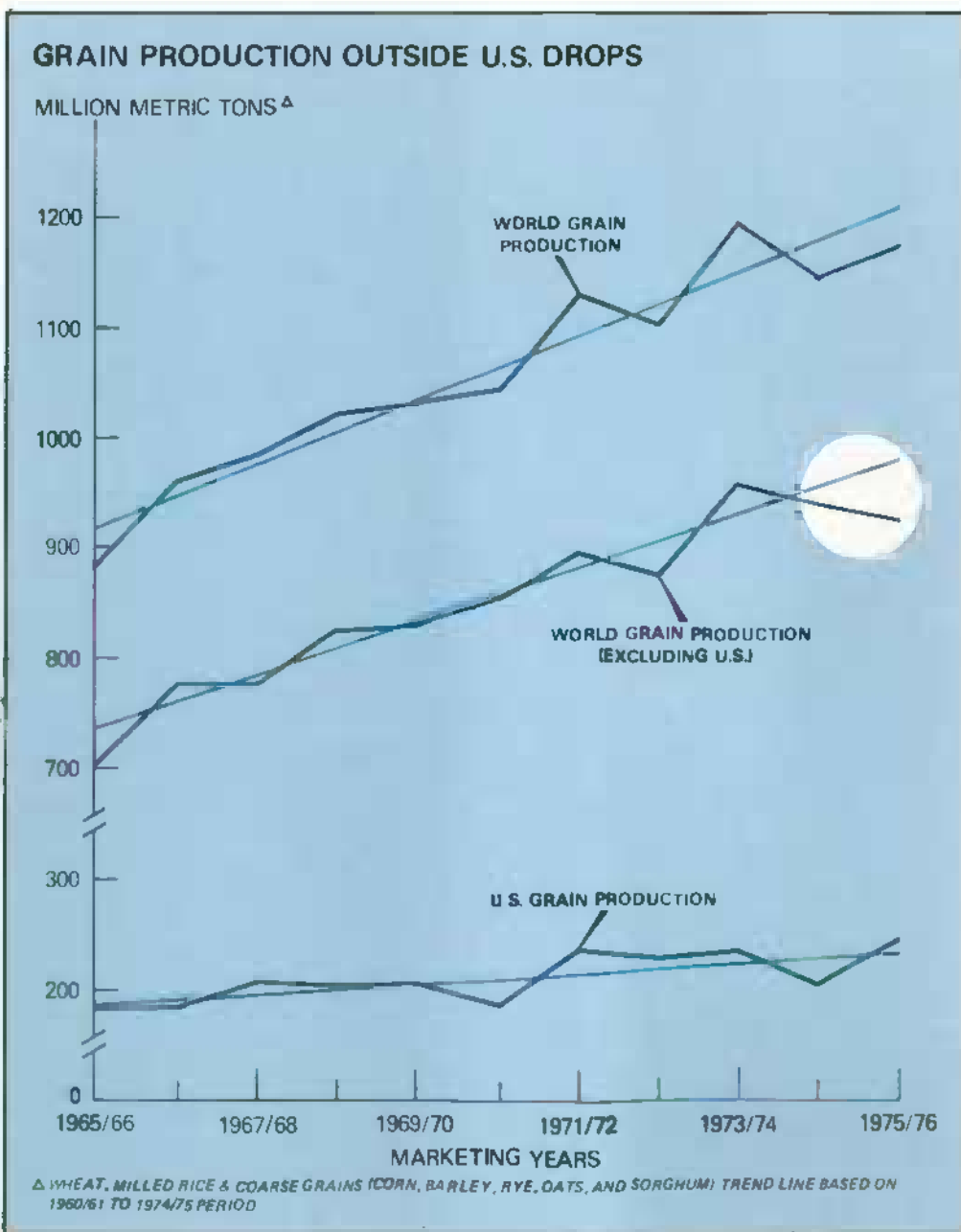
Based on a Soviet grain crop of 160 million tons, USSR grain imports in 1975/76 are estimated at more than 25 million tons. As of early October, Soviet purchases of approximately 16 million tons of grain had been formally announced, including about 10 million from the United States, almost 4.5 million from Canada, and 1.5 million from Australia. Trade rumors had indicated that the USSR has also purchased another 5 to 10 million tons from Western sources.

### World Economic Recovery Continues

Recent economic developments have created a cautious optimism about chances for a turnaround in real growth rates for the developed countries during the latter part of calendar year 1975. Real GNP rose substantially in the United States during the third quarter of 1975 which will probably

stimulate growth in other developed countries. Japan and Germany will also be important leaders in an overall recovery, though expansionary programs are being held back because of fears of renewed inflation. Trade balances for the developed countries have improved recently.

Less developed countries which are not members of the Organization of Petroleum Exporting Countries, however, are facing extremely serious problems as their current account balances deteriorate to an estimated 1975 deficit of \$35 billion compared with \$28 billion in 1974. With no growth in export volume and declining export prices for developing countries, their economic growth rates are falling and international borrowings are rising. In the first 6 months of 1975, the developing countries borrowed roughly \$4.3 billion in the Eurocurrency market while maturity terms declined sharply and, at the same time, international reserves fell by \$600 million. However, recent proposals at the United Nations and the World Bank-International Monetary Fund meetings to





establish and expand concessional aid programs will help ease the developing countries immediate financing problems.

#### World Grain Production Below Trend

World grain production in early October is estimated at about 1,170 million metric tons (wheat, coarse grains, and milled rice), up from 1,144 million in 1974/75, but about 40 million below the long-term trend level. World wheat crops are currently forecast at 349 million tons, about the same as a year earlier. Coarse grain production is now expected to total 590 million tons, up marginally from the 578 million a year earlier.

Production declines in the Soviet Union and Europe were the main reasons for world output falling below trend this year. Production of wheat and coarse grains outside these areas increased 19 million and 42 million tons, respectively. Estimated Soviet Union production is down 35 million tons from last year's level and 55 million tons below the plan of 215.7 million tons for the current year. Grain production in Western Europe is forecast down 10 million tons to 130 million. Eastern Europe's production is expected to be 5 million tons below the 89 million in 1974/75.

Most of the grain usage adjustment in the Soviet Union is likely to be in the form of increased imports, although consumption also will probably be curtailed and stocks drawn down. Eastern Europe is likely to reduce consumption but imports may be larger to help make up some of the shortfalls. Eastern Europe will also have to import grains from sources other than the USSR to make up the 3 to 5 million tons they normally import from the Soviet Union. Western Europe is expected to make up most of their reduced production by drawing down stocks, but with use up, imports may also have to be increased.

World wheat exports are expected to rise slightly in the current year to nearly 75 million tons. U.S. wheat exports are likely to range between 35 and 38 million tons. The final figure will depend upon additional purchases by the Soviet Union and the physical ability to move the large volume of wheat, feed grains, and soybeans into international channels.

World feed grain exports are currently estimated at around 79 million tons, up

from 69 million a year ago. U.S. export levels should range between 43 and 47 million metric tons. The upper end of the range could be achieved if (1) the Soviet Union purchases more grains, (2) sales of grains increase to Eastern Europe, and (3) demand picks up in Western Europe and Japan.

World stocks of wheat and coarse grains ending 1975/76 may total about 100 million tons. Of this total, the United States will likely be holding about 32 million, up from 21 million a year earlier. A decade ago, U.S. stocks were about 70 million tons when the world totaled 157 million tons.

Reduced economic activity in major developed countries has seriously slowed the demand for meat, animal fats, and vegetable oils, which in turn has had a significant impact on oilseeds. The cost-price squeeze that most livestock producers experienced during the past year has also sharply reduced the demand for protein meal for animal feeding. Although the profit situation has improved recently for livestock producers in major developed countries, it will take considerable time to expand production. World oilseed and fish meal production in terms of meal equivalent is expected to total 73 million metric tons in 1976, up from 66.8 million tons estimated for this year. In terms of oil, production is expected to increase to 30.7 million tons from 28.7 million tons a year earlier. Although disappearance is expected to rise for both meal and oil, it will not be as large as the production increase.

World exports of protein meal and meal equivalent of oilseeds are expected to total about 28 million tons in 1976, up from 24 million tons in 1975. With a substantial rise in prospect for U.S. soybean production, U.S. supplies will be plentiful to meet U.S. domestic and export requirements and to build stocks. At the present time U.S. soybean exports are likely to range from 11½ to 13 million tons. The variation between levels depends considerably upon the volume of soybean purchases by the Soviet Union and how fast consumption picks up in the developed countries, especially Western Europe and Japan, in response to expected growth in real income in the coming year. U.S. soybean meal exports are expected to range from 4.0 to 4.4 million tons, depending pri-

marily on the strength of demand in Japan and Western Europe. Soybean oil exports may range from 800 to 900 million pounds. The degree of competition from other producing countries and the level of consumption in the developing countries will be the principal determinants in the level of U.S. exports.

Foreign cotton consumption may recover moderately from the current depressed levels. Although foreign cotton production has increased in recent years, it is expected to decline 8 percent in 1975/76. Stocks are large in many foreign countries and prices of foreign growth range from 4 to 6 cents a pound lower than comparable grades of U.S. cotton. At the same time, U.S. production is expected to be about 9.1 million bales, down considerably from a year earlier. U.S. exports may range between 3.5 and 4.0 million bales.

#### U.S. Agricultural Exports To Remain High

U.S. agricultural exports during fiscal 1976 are expected to about match the \$21.6 billion in the previous year. The prospective large increase in exports to the Soviet Union and Eastern Europe will be offset by the loss in value from lower prices and the drop in exports to the People's Republic of China and Western Europe. The value of exports to the Soviet Union is likely to hit about \$2 billion and those to Eastern Europe may top \$1 billion.

The decline in export unit values will primarily center around the drop in the prices of soybean products, although oils and hides and skins may also be down. The export volume of principal U.S. agricultural commodities may rise about 15 million tons from last year to equal the 100 million record of 1973/74. However, export values may show relatively little change because of an expected drop, perhaps as much as a tenth, in the overall unit value of our exports.

Agricultural imports in fiscal 1976 are now expected to total around \$9.3 billion, down slightly from the previous year. Thus, agriculture's contribution to the U.S. trade balance in 1975/76 will probably approximate the \$12 billion high in fiscal 1975. (Dewain Rahe)

Trade balance	July-August		August	
	1973/74	1974/75 <sup>1</sup>	1974	1975 <sup>1</sup>
	\$ mil.			
Agricultural exports	3,084	3,133	1,452	1,601
Nonagricultural exports	12,499	13,574	6,477	6,870
Total exports	16,583	16,707	7,929	8,471
Agricultural imports	1,752	1,450	854	688
Nonagricultural imports	16,430	14,087	8,318	6,873
Total imports	18,182	15,537	9,172	7,561
Agricultural trade balance	1,332	1,683	598	913
Nonagricultural trade balance	-3,931	-513	-1,841	-3
Total trade balance	-2,599	1,170	-1,243	910

<sup>1</sup> Preliminary.



## NATIONAL AGRICULTURAL OUTLOOK CONFERENCE

**November 17-20, 1975**  
General and Commodity Sessions

**Monday, November 17,**  
Thomas Jefferson Memorial Auditorium,  
USDA South Building

- 8:45 AM Conference Opening
- 9:00 AM U.S. Economic Outlook
- 10:00 AM International Economic Outlook
- 1:15 PM World Agricultural Situation  
and Outlook
- 1:40 PM Outlook for U.S. Agricultural  
Trade
- 2:05 PM U.S. Agricultural Outlook
- 3:20 PM Outlook for Retail Food Sup-  
plies and Prices
- 3:50 PM Impact of USDA Food Programs  
on Food Demand and Consump-  
tion

**Tuesday, November 18,**  
Thomas Jefferson Memorial Auditorium,  
USDA South Building

- 8:45 AM Outlook for Prices and Supplies  
of Inputs
- 10:20 AM Production Cost Developments
- 10:50 AM U.S. Agricultural Capacity
- 1:15 PM The World Food Council - What  
Happened Since The World  
Food Conference
- 3:00 PM Wheat Outlook
- 3:20 PM Rice Outlook

**Wednesday, November 19,**  
Thomas Jefferson Memorial Auditorium,  
USDA South Building

- 8:45 AM Feed Outlook
- 10:15 AM Oilseeds, Fats and Oils Outlook
- 1:15 PM Meat Animal Outlook
- 1:50 PM Poultry Outlook
- 3:30 PM Dairy Outlook

**Thursday, November 20,**  
Thomas Jefferson Memorial Auditorium,  
USDA South Building

- 8:45 AM Fruits and Tree Nuts Outlook
- 9:05 AM Vegetables and Potatoes  
Outlook
- 10:30 AM Farm Credit Outlook
- 8:45 AM Tobacco Outlook (Rm. 3056,  
South Building)
- 10:30 AM Forest Products Outlook (Rm.  
3840, South Building)
- 1:15 PM Cotton Outlook
- 3:00 PM Sugar and Sweeteners Outlook

### Family Living Sessions

**Tuesday, November 18**  
Auditorium, Freer Gallery

- 8:45 AM History of Women's Contribu-  
tion in U.S. Agriculture and  
Rural Community Life
- 9:30 AM International Women's Year:  
What It's All About
- 10:15 AM Goals of International Women's  
Year: Implications for Extension
- 3:00 PM Clothing and Textiles: Supplies,  
Prices, and Outlook

**Wednesday, November 19**  
Auditorium, Freer Gallery

- 8:45 AM Family Expenditures: The Farm  
Family Living Survey
- 9:30 AM Economic Outlook for the  
Family
- 10:30 AM Impact of Inflation on Families
- 1:00 PM Housing: Situation and Trends  
Affecting the Family
- 1:45 PM Housing: To Rent or Buy?
- 2:15 PM How Households Use Energy
- 3:00 PM Reducing the Cost of House-  
hold Operation

**Thursday, November 20**  
Auditorium, Freer Gallery

- 8:45 AM Priorities for USDA Research to  
Meet Family Needs
- 9:15 AM Dietary Guidance for Food  
Stamp Families
- 9:45 AM Economic Aspects of Food  
Preservation
- 10:30 AM The Nutrient Data Bank
- 11:00 AM Cost of Convenience Foods
- 11:30 AM Food Safety and Food Handling  
Practices

### OUTLOOK CONFERENCE SCHEDULED FOR NOVEMBER 17-20:

The 1976 outlook for U.S. agri-  
culture, the general economy,  
inputs, and foreign agricultural  
trade will receive particular atten-  
tion at the National Agricultural  
Outlook Conference to be held at  
the U.S. Department of Agriculture  
(USDA) in Washington, D.C. from  
November 17 through 20. The Con-  
ference, sponsored by USDA's  
Economic Research Service, Agri-  
cultural Research Service, and  
Extension Service, will also feature  
presentations and panel discussions  
by leading authorities in agriculture  
and business on commodities and  
family living concerns.

# STATISTICAL INDICATORS

Farm Production <sup>1</sup>	1970	1971	1972	1973	1974	1975 <sup>2</sup>
	1967=100					
Farm output	101	111	110	112	106	113
All livestock products <sup>3</sup>	105	108	108	105	106	104
Meat animals	108	112	110	108	110	107
Dairy products	100	101	102	98	98	98
Poultry and eggs	106	107	109	106	106	103
All crops <sup>4</sup>	101	112	113	120	110	121
Feed grains	89	116	112	115	92	113
Hay and forage	100	106	105	109	104	105
Food grains	91	107	102	113	120	141
Sugar crops	114	117	128	112	107	131
Cotton	139	145	187	175	157	122
Tobacco	97	86	88	88	100	111
Oil crops	117	121	131	155	129	148
Cropland used for crops	98	100	98	104	106	107
Crop production per acre	104	112	115	115	104	113

Prepared jointly by Economic Research Service and Statistical Reporting Service

<sup>1</sup> For historical data and explanation of indexes, see, "Changes in Farm Production and Efficiency," USDA Statistical Bulletin No. 233. <sup>2</sup> Preliminary indexes for 1975, based on the October 1975 "Crop Production" report and other releases of the Crop Reporting Board, SRS. <sup>3</sup> Gross livestock production includes minor livestock products not included in the separate groups shown. It cannot be added to gross crop production to compute farm output. <sup>4</sup> Gross crop production includes some miscellaneous crops not in the separate groups shown. It cannot be added to gross livestock production to compute farm output.

Gross and Net Farm Income	1972	1973	1974	1972				1973				1974				1975		
	Year	Year	Year	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III
	SBH.																	
Cash receipts from farm marketings	61.2	86.9	93.5	57.5	60.6	60.9	65.8	76.1	84.2	92.0	95.2	98.4	90.1	91.5	94.1	87.0	88.0	98.0
Nonmoney and other farm income <sup>1</sup>	8.9	8.4	7.6	9.0	8.9	8.9	8.9	8.5	8.4	8.4	8.4	7.4	7.5	7.7	7.8	8.0	8.1	8.2
Realized gross farm income	70.1	95.3	101.1	66.5	69.5	69.8	74.7	84.6	92.6	100.4	103.6	105.8	97.6	99.2	101.9	95.0	96.1	106.2
Farm production expenses	52.8	65.8	73.4	50.6	52.0	53.3	55.3	60.0	64.1	69.2	70.0	72.6	73.2	73.8	74.0	74.0	75.6	78.0
Farmers' realized net income	17.3	29.5	27.7	15.9	17.5	16.5	19.4	24.6	28.5	31.2	33.6	33.2	24.4	25.4	27.9	21.0	20.5	28.2
Net change in farm inventories	.9	3.6	-1.6	1.1	.8	.8	.7	2.4	3.4	4.8	3.9	1.1	-1.6	-3.1	-2.9	-1.5	-.5	1.0
Farmers' total net income	18.2	33.1	26.1	17.0	18.3	17.3	20.1	27.0	31.9	36.0	37.5	34.3	22.8	22.3	25.0	19.5	20.0	29.2

<sup>1</sup> Includes government payments to farmers, value of farm products consumed in farm households, rental of farm dwellings, and income from recreation, machine hire, and custom work.



Cash receipts <sup>1</sup> from farm marketings, by States, January-August	Livestock and products		Crops <sup>2</sup>		Total <sup>3</sup>	
	1974	1975	1974	1975	1974	1975
	\$mil <sup>3</sup>					
<b>NORTH ATLANTIC</b>						
Maine	150.2	159.3	159.7	71.0	309.9	230.3
New Hampshire	34.1	33.1	11.8	10.9	45.8	44.1
Vermont	134.2	129.0	11.6	10.9	145.8	139.9
Massachusetts	68.3	66.4	50.1	55.1	118.4	121.5
Rhode Island	7.6	7.4	7.2	5.5	14.8	12.8
Connecticut	83.6	78.6	53.4	63.1	137.0	141.7
New York	710.3	680.9	263.5	243.2	973.8	924.2
New Jersey	76.1	71.6	144.8	142.5	220.8	214.1
Pennsylvania	733.5	701.3	291.1	264.9	1,024.6	966.3
<b>NORTH CENTRAL</b>						
Ohio	652.8	662.6	839.1	1,152.9	1,491.9	1,815.5
Indiana	783.7	815.3	988.1	891.5	1,771.8	1,706.8
Illinois	1,205.6	1,233.7	2,540.5	2,117.6	3,746.1	3,351.3
Michigan	478.0	459.4	574.1	524.2	1,052.1	983.6
Wisconsin	1,357.7	1,335.0	302.9	291.7	1,660.6	1,626.7
Minnesota	1,338.8	1,290.3	1,583.1	1,071.8	2,921.9	2,362.1
Iowa	2,553.9	2,611.3	2,253.1	1,841.2	4,807.0	4,452.5
Missouri	1,068.4	1,055.4	623.0	526.9	1,691.4	1,582.3
North Dakota	300.9	259.1	1,266.9	830.7	1,567.8	1,089.8
South Dakota	912.9	889.0	555.1	411.5	1,468.0	1,300.5
Nebraska	1,570.1	1,551.0	1,145.2	960.9	2,715.3	2,511.9
Kansas	1,328.0	1,189.6	1,234.6	1,406.2	2,562.5	2,595.8
<b>SOUTHERN</b>						
Delaware	106.1	110.7	42.0	35.9	148.1	146.6
Maryland	253.3	264.7	116.6	121.2	369.9	385.9
Virginia	293.2	302.9	209.1	185.1	502.3	488.0
West Virginia	62.8	60.1	21.4	24.7	84.1	84.8
North Carolina	611.4	631.1	559.6	569.3	1,171.0	1,200.4
South Carolina	165.7	166.6	286.6	310.1	452.3	476.7
Georgia	670.8	688.1	381.1	432.1	1,051.8	1,120.2
Florida	374.3	383.2	1,174.7	1,393.7	1,549.0	1,776.9
Kentucky	399.5	386.9	283.5	309.3	683.0	696.2
Tennessee	317.2	291.3	159.7	174.1	477.0	465.5
Alabama	444.2	492.5	199.7	245.6	643.9	738.1
Mississippi	393.4	406.2	325.1	310.1	718.5	716.3
Arkansas	541.4	563.5	483.4	491.7	1,024.8	1,055.2
Louisiana	228.7	250.1	232.9	361.7	461.7	611.8
Oklahoma	788.9	667.0	503.4	532.7	1,292.3	1,199.7
Texas	2,047.6	1,852.7	1,777.7	1,727.7	3,825.3	3,580.4
<b>WESTERN</b>						
Montana	203.9	177.4	389.4	339.7	593.3	517.1
Idaho	285.6	274.7	485.2	340.8	770.8	615.4
Wyoming	117.9	101.5	35.9	33.7	153.8	135.2
Colorado	972.0	947.6	321.6	286.0	1,293.6	1,233.7
New Mexico	236.0	221.7	72.4	102.1	308.5	323.8
Arizona	409.3	407.9	317.9	394.6	727.2	802.5
Utah	142.2	137.6	41.7	52.6	183.8	190.3
Nevada	56.3	53.4	17.1	17.8	73.5	71.1
Washington	311.4	295.6	718.4	644.6	1,029.9	940.1
Oregon	225.8	223.7	362.0	353.2	587.7	576.9
California	1,874.7	1,912.4	2,764.9	2,732.7	4,639.7	4,645.0
Alaska	2.4	2.5	.6	.6	3.1	3.1
Hawaii	39.1	39.8	385.9	309.5	425.0	349.3
<b>UNITED STATES</b>						
Grand total	28,123.7	27,593.0	27,568.5	25,727.0	55,692.2	53,320.0

<sup>1</sup> Estimates as of the first of current month. <sup>2</sup> Sales of farm products include receipts from loans reported minus value of redemptions during the period.

<sup>3</sup> Rounded; data may not add.

Cash receipts from farming	1974						1975							
	Annual	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
	\$Mil.													
Farm marketings and CCC loans: <sup>1</sup>	93,521	7,444	8,043	11,767	10,044	7,975	8,836	5,818	5,783	5,575	5,750	6,284	7,913	7,361
Livestock and Products	41,424	3,424	3,251	3,719	3,206	3,125	3,339	3,011	3,157	3,436	3,694	3,610	3,702	3,644
Meat animals	25,257	2,139	1,979	2,367	1,916	1,785	2,025	1,789	1,822	2,130	2,300	2,236	2,255	2,204
Dairy products	9,399	723	704	735	719	745	755	719	811	807	845	808	793	779
Poultry and eggs	6,285	526	534	582	540	559	523	469	492	461	510	526	615	625
Other	483	36	34	35	31	36	36	34	31	38	39	40	39	37
Crops	52,097	4,020	4,792	8,048	6,838	4,850	5,497	2,807	2,626	2,139	2,056	2,674	4,211	3,717
Food grains	9,276	938	1,249	1,535	633	531	734	346	269	244	286	927	1,550	1,256
Feed crops	13,882	1,186	1,013	1,791	1,674	1,214	2,022	958	714	569	558	606	1,008	831
Cotton (lint and seed)	2,975	58	92	502	659	463	326	146	134	261	161	93	95	55
Tobacco	2,146	324	383	314	311	439	218	17	1	11	15	3	262	316
Oil-bearing crops	9,604	425	576	2,240	1,505	693	1,361	624	681	236	271	139	253	201
Vegetables and melons	5,358	535	754	807	423	254	279	240	289	280	302	399	453	532
Fruits and tree nuts	3,476	287	379	423	377	315	196	198	221	203	205	330	361	302
Other	5,380	267	346	436	1,256	941	361	278	317	334	259	178	230	222
Government Payments	530	35	60	109	84	125	140	150	96	57	32	14	26	44
Total cash receipts <sup>2</sup>	94,051	7,479	8,103	11,876	10,128	8,100	8,976	5,968	5,879	5,632	5,782	6,298	7,939	7,405

<sup>1</sup> Receipts from loans represent value of loans minus value of redemptions during the month. <sup>2</sup> Details may not add to totals because of rounding.

Prices received and paid by farmers, U.S. average	1974					1975								
	Annual	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	1967=100													
Prices received														
All farm products	184	181	186	182	178	172	168	165	170	178	182	187	187	193
All crops	214	219	230	225	214	201	192	185	188	189	192	199	201	202
Food grains	299	277	308	312	297	266	259	241	243	230	199	224	252	262
Feed grains and hay	242	268	282	279	273	259	241	226	231	234	228	228	243	235
Feed grains	246	275	291	289	282	266	245	228	232	232	226	229	247	237
Cotton	227	243	228	223	194	163	144	150	142	161	163	179	190	197
Tobacco	148	161	166	164	167	163	166	166	166	166	166	150	156	166
Oil-bearing crops	230	254	284	267	254	231	214	195	203	189	186	197	205	197
Fruit	143	153	160	138	127	135	132	140	141	154	161	161	147	157
Fresh market	141	151	160	133	119	126	124	134	135	155	164	165	145	157
Commercial vegetables	144	147	158	158	154	163	171	162	169	163	190	182	155	163
Fresh market	156	145	164	168	159	170	188	172	179	174	219	208	162	172
Potatoes, sweet potatoes, and dry edible beans	293	210	207	204	187	183	174	168	177	191	287	328	275	230
Livestock and Products	164	155	156	153	153	153	151	152	157	171	176	180	179	188
Meat animals	165	152	151	145	146	145	144	146	159	182	190	194	188	196
Dairy products	160	155	159	162	158	159	159	157	155	154	153	156	163	173
Poultry and eggs	162	167	167	173	177	176	170	168	153	158	158	167	173	186
Wool	146	123	125	115	109	102	89	83	99	120	124	121	116	117
Prices paid for commodities and services, interest, taxes, and wage rates	169	175	177	179	180	180	180	179	182	183	185	186	187	189
Prices paid	167	175	175	178	179	178	177	176	179	181	183	184	186	187
Family living items	161	166	167	171	173	173	175	173	173	175	176	178	179	180
Production items	172	182	183	183	184	182	180	179	185	187	190	190	192	194
Feed	192	204	211	210	207	202	192	182	185	185	183	183	189	187
Feeder livestock	144	122	119	112	113	105	103	109	123	133	140	127	124	139
Interest per acre on farm real estate debt	222	222	222	222	222	263	263	263	263	263	263	263	263	263
Taxes per acre on farm real estate	150	150	150	150	150	156	156	156	156	156	156	156	156	156
Wage rates (seasonally adjusted)	176	176	185	185	185	187	187	187	187	187	187	189	189	189
Production items, interest, taxes, and wage rates	174	181	184	185	185	185	183	183	187	189	191	191	192	194
Prices received (1910-14=100)	467	460	473	463	451	438	427	420	431	452	463	476	476	491
Prices paid, etc. (1910-14=100)														
(Parity index)	578	599	606	613	616	617	615	612	621	627	632	636	639	645
Parity ratio	81	77	78	76	73	71	70	69	69	72	73	75	74	76



Prices received by farmers	1974					1975								
	Annual	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
<b>Crops</b>														
All wheat, (\$/bu.)	4.48	4.32	4.85	4.87	4.65	4.11	3.95	3.65	3.69	3.47	2.92	3.33	3.89	4.11
Rice, (rough), (\$/cwt.)	<sup>1</sup> 13.81	9.85	10.25	11.10	10.50	10.30	10.80	10.60	10.50	10.40	10.40	11.00	9.80	8.88
Corn, (\$/bu.)	2.92	3.30	3.45	3.32	3.27	3.07	2.86	2.67	2.68	2.66	2.68	2.72	2.95	2.76
Sorghum, (\$/cwt.)	4.59	5.30	5.78	5.85	5.33	4.96	4.21	4.03	4.15	4.21	4.15	4.25	4.69	4.56
All hay, baled, (\$/ton)	49.10	51.90	51.50	50.30	50.70	50.10	49.30	49.70	52.40	56.30	53.60	51.20	51.00	50.80
Soybeans, (\$/bu.)	6.42	7.32	8.17	7.44	7.03	6.30	5.72	5.31	5.61	5.00	4.90	5.28	5.80	5.32
Cotton, Upland, (cts./lb.)	51.30	54.90	51.40	50.40	43.80	37.00	32.60	33.90	32.20	36.30	36.90	40.50	42.90	44.70
Potatoes, (\$/cwt.)	5.72	4.05	4.09	3.88	5.29	3.32	3.17	2.94	3.25	3.69	6.16	7.51	5.91	4.23
Dry edible beans, (\$/cwt.)	32.28	21.40	23.10	20.90	20.20	20.20	18.40	18.80	17.70	16.90	18.50	19.80	21.80	26.20
Apples for fresh use, (cts./lb.)	11.36	12.30	11.40	10.70	10.20	9.80	9.90	11.30	11.00	14.50	15.30	14.40	11.50	11.70
Pears for fresh use, (\$/ton)	<sup>1</sup> 200.18	197.00	185.00	186.00	183.00	153.00	136.00	145.00	178.00	180.00	---	300.00	186.00	157.00
Oranges, (\$/box)	1.96	2.67	3.65	1.83	1.43	1.29	1.34	1.49	1.61	1.80	1.86	1.90	1.37	2.02
Grapefruit, (\$/box)	1.84	.90	3.72	1.59	1.77	1.69	1.70	1.72	1.77	2.39	1.13	1.61	2.40	2.08
<b>Livestock</b>														
Beef cattle, (\$/cwt.)	35.60	32.60	30.60	28.20	27.70	27.60	26.90	27.80	31.80	36.50	38.50	36.20	33.10	34.60
Calves, (\$/cwt.)	35.20	30.10	27.70	25.70	25.00	23.90	24.30	24.70	26.80	29.50	29.70	28.10	25.70	27.40
Hogs, (\$/cwt.)	34.20	33.70	37.10	36.80	38.30	38.20	38.40	38.30	39.30	45.10	47.30	54.10	56.00	58.50
Lambs, (\$/cwt.)	37.00	33.20	33.20	35.20	36.10	36.90	38.10	39.90	42.70	45.40	45.10	43.50	39.80	40.40
All milk, sold to plants (\$/cwt.)	8.32	8.07	8.34	8.48	8.25	8.33	8.28	8.13	8.09	7.98	7.94	8.19	8.56	<sup>2</sup> 8.96
Milk, manuf. grade, (\$/cwt.)	7.13	6.81	7.03	7.02	6.74	7.00	7.04	7.01	7.04	7.05	7.08	7.23	7.60	<sup>2</sup> 8.01
Broilers, (cts./lb.)	21.7	22.8	22.8	24.2	21.9	24.2	24.6	23.7	23.4	24.6	27.4	30.3	28.8	29.8
Eggs, (cts./doz.) <sup>3</sup>	52.9	54.8	54.9	55.4	59.0	57.1	54.3	54.1	47.4	47.6	45.7	46.4	50.5	55.8
Turkeys, (cts./lb.)	28.8	27.3	28.0	30.8	33.4	31.8	30.8	30.3	28.7	30.8	32.3	34.1	35.2	36.0
Wool, (cts./lb.) <sup>4</sup>	59.1	48.7	49.6	45.8	43.5	40.5	35.3	33.1	39.1	47.6	49.1	47.8	46.0	46.2

<sup>1</sup> Eleven month average. <sup>2</sup> Preliminary. <sup>3</sup> Average of all eggs sold by farmers, including hatching eggs and eggs sold at retail. <sup>4</sup> Average local market price, excluding incentive payments.

Wholesale Price Index U.S. average (not seasonally adjusted)	1974					1975								
	Annual	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	1967=100													
All commodities	160.1	167.2	170.2	171.9	171.5	171.8	171.3	170.4	172.1	173.2	173.7	175.7	176.7	177.7
Industrial commodities	153.8	162.9	164.8	165.8	166.1	167.5	168.4	168.9	169.7	170.3	170.7	171.2	172.2	173.1
All foods	174.4	178.2	182.0	192.3	189.2	188.4	185.6	180.4	181.9	182.4	184.3	189.8	189.0	189.7
Farm Products	187.7	182.7	187.5	187.8	183.7	179.7	174.6	171.1	177.7	184.5	186.2	193.7	193.2	197.1
Eggs	160.6	169.8	167.8	164.9	181.1	168.7	162.4	166.3	140.0	145.5	137.9	139.7	156.7	174.4
Fresh and dried fruits and vegetables	192.3	163.2	166.2	186.9	163.7	174.9	169.0	163.8	183.4	183.1	206.7	208.6	179.6	182.6
Processed foods and feeds	170.9	176.8	183.5	189.7	188.2	186.4	182.6	177.3	179.4	179.0	179.7	184.6	186.3	186.1
Meats	159.6	161.3	160.2	155.4	156.0	161.9	159.0	159.0	171.6	189.8	199.3	208.0	203.4	209.3
Beef and veal	158.6	159.3	149.6	140.6	139.8	148.2	142.7	143.7	167.7	189.4	202.3	201.0	186.5	192.7
Pork	162.3	169.9	178.2	172.9	176.6	183.7	181.8	180.4	181.9	201.7	206.5	231.4	241.0	250.0
Poultry	157.3	170.3	158.5	172.1	165.5	169.7	170.5	164.6	165.9	175.1	186.5	208.9	195.3	196.5
Fish	204.6	196.8	192.1	190.6	194.7	193.1	206.5	203.2	208.3	216.8	217.5	225.2	224.9	229.5
Dairy	146.4	144.8	146.4	146.8	146.7	148.3	148.5	148.6	148.9	149.6	150.5	153.2	156.3	160.8
Processed fruits and vegetables	154.6	165.6	170.0	171.1	170.1	171.2	170.9	169.5	170.8	171.0	170.9	169.4	168.6	168.4
Cereal and bakery products	171.2	169.7	176.2	179.7	181.9	182.3	183.6	181.9	179.1	176.2	174.4	176.7	175.8	177.0
Sugar and confectionery	258.9	297.9	315.3	419.8	401.4	358.2	347.3	303.0	280.1	239.6	217.8	228.4	243.2	219.4
Beverages	140.7	147.8	152.6	154.2	158.2	162.6	162.2	162.2	161.7	161.0	160.4	159.4	161.6	162.5

Consumer Price Index U.S. average (not seasonally adjusted)	1974					1975								
	Annual	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	1967=100													
Consumer price index, all items	147.7	151.7	153.0	154.3	155.4	156.1	157.2	157.8	158.6	159.3	160.6	162.3	162.8	163.6
Consumer price index, less food	143.6	147.8	149.1	150.4	151.3	151.8	153.0	153.9	154.9	155.6	156.6	157.6	158.3	159.5
All food	161.7	165.0	166.1	167.8	169.7	170.9	171.6	171.3	171.2	171.8	174.4	178.6	178.1	177.8
Food away from home	159.4	163.1	164.7	166.2	167.6	169.0	170.5	171.3	172.2	172.8	173.1	174.2	175.3	176.5
Food at home	162.4	165.5	166.5	168.3	170.3	171.4	172.0	171.4	171.0	171.6	174.9	179.9	179.0	178.2
Meats	164.1	166.7	163.5	163.0	161.7	161.9	160.9	159.7	160.2	167.9	177.8	188.5	190.4	190.5
Beef and veal	168.5	172.9	166.8	163.7	160.1	158.5	156.6	153.3	154.6	166.4	176.6	186.4	182.5	176.7
Pork	161.0	164.8	164.0	166.8	167.1	170.0	169.6	170.5	170.0	175.6	187.9	204.9	214.3	222.4
Poultry	146.9	148.1	147.0	150.9	154.9	152.8	152.0	151.8	148.9	149.8	157.7	172.8	174.3	177.2
Fish	187.7	188.6	190.4	193.6	194.8	195.7	197.2	197.1	197.3	199.1	200.4	202.9	205.1	208.1
Eggs	160.8	162.2	172.2	166.2	172.6	172.6	172.1	153.5	158.2	144.6	137.2	144.6	151.1	163.9
Dairy products	151.9	151.1	151.7	152.7	155.3	155.2	155.6	155.4	154.8	153.6	153.3	153.4	154.3	156.3
Fats and oils	179.3	198.5	203.7	210.2	212.6	214.7	214.9	213.1	209.7	203.0	195.8	191.7	189.3	189.7
Fruits and vegetables	165.8	162.9	162.4	164.3	161.3	163.5	166.7	167.4	167.8	169.0	177.4	188.8	177.9	167.4
Fresh	162.6	152.7	151.6	154.7	149.6	153.6	159.2	159.9	160.9	164.7	179.0	198.4	180.0	161.6
Processed	170.6	178.2	178.4	178.7	178.7	178.3	177.9	178.7	178.2	175.4	175.0	174.7	174.8	176.1
Cereals and bakery products	166.1	170.4	174.7	177.6	181.7	185.3	187.3	189.1	188.9	187.0	185.2	184.6	182.6	181.6
Sugar and sweets	195.2	212.1	226.5	245.2	279.0	281.0	273.9	269.5	255.7	246.0	236.8	228.9	236.0	238.2
Beverages	155.6	166.5	169.2	170.2	172.7	175.3	177.0	177.8	178.0	175.3	174.9	174.1	175.1	177.9

Farm-retail price spreads, <sup>1</sup> monthly	1974					1975								
	Annual	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Market basket:														
Retail cost (1967=100)	161.9	164.3	164.6	166.4	167.8	168.7	169.3	168.5	168.2	169.1	172.9	178.8	177.6	176.4
Farm value (1967=100)	177.6	178.5	182.5	183.1	178.2	173.5	173.5	171.4	175.7	182.1	190.4	200.3	197.4	201.7
Farm-retail spread (1967=100)	152.0	155.2	153.3	155.8	161.2	165.7	166.6	166.7	163.4	160.9	161.8	165.2	165.0	160.4
Farmer's share (%)	43	42	43	43	41	40	40	39	40	42	43	43	43	44
Beef, choice:														
Retail price <sup>2</sup> (cts./lb.)	138.8	141.6	136.8	134.4	132.2	132.8	129.0	127.0	133.9	147.8	157.8	161.0	155.5	152.8
Carcass value <sup>3</sup> (cts.)	97.4	96.2	93.4	89.8	87.5	88.8	84.7	86.3	101.2	115.9	123.2	119.7	112.1	114.5
Net farm value <sup>4</sup> (cts.)	86.1	85.2	82.0	78.7	77.1	76.6	73.2	75.7	89.9	103.9	110.2	105.8	96.8	99.8
Farm-retail spread (cts.)	52.7	56.4	54.8	55.7	55.1	56.2	55.8	51.3	44.0	43.9	47.6	55.2	58.7	53.0
Carcass-retail spread <sup>4</sup> (cts.)	41.4	45.4	43.4	44.6	44.7	44.0	44.3	40.7	32.7	31.9	34.6	41.3	43.4	38.3
Farm-carcass spread <sup>4</sup> (cts.)	11.3	11.0	11.4	11.1	10.4	12.2	11.5	10.6	11.3	12.0	13.0	13.9	15.3	14.7
Farmer's share (%)	62	60	60	59	58	58	57	60	67	70	70	66	62	65
Pork:														
Retail price <sup>2</sup> (cts./lb.)	108.2	109.9	109.0	111.4	112.7	114.9	114.8	113.6	115.7	123.0	130.5	143.7	150.2	153.8
Carcass value <sup>3</sup> (cts.)	77.4	77.2	81.4	83.6	85.6	84.2	86.0	86.8	88.3	97.3	104.6	113.9	118.2	124.5
Net farm value <sup>4</sup> (cts.)	60.8	61.6	66.1	65.2	68.5	67.1	68.9	68.8	71.0	82.5	91.1	101.0	102.7	109.2
Farm-retail spread (cts.)	47.4	48.3	42.9	46.2	44.2	47.8	45.9	44.8	44.7	40.5	39.4	42.7	47.5	44.6
Carcass-retail spread <sup>4</sup> (cts.)	30.8	32.7	27.6	27.8	27.1	30.7	28.8	26.8	27.4	25.7	25.9	29.8	32.0	29.3
Farm-carcass spread <sup>4</sup> (cts.)	16.6	15.6	15.3	18.4	17.2	17.1	17.1	18.0	17.3	14.8	13.5	12.9	15.5	15.3
Farmer's share (%)	56	56	61	59	61	58	60	61	61	67	70	70	68	71
Milk, fresh:														
Retail price (cts./gal.)	78.4	77.3	77.5	77.6	79.2	79.4	79.2	78.9	78.5	77.4	77.2	77.0	77.0	77.7
Farm value (cts.)	40.9	38.9	39.0	40.1	40.7	40.0	40.2	39.8	39.9	39.8	39.9	39.3	39.7	40.2
Farm-retail spread (cts.)	37.5	38.4	38.5	37.5	38.5	39.4	39.0	39.1	38.6	37.6	37.3	37.7	37.3	37.5
Farmer's share (%)	52	50	50	52	51	50	51	50	51	51	52	51	52	52
Chicken:														
Retail price (cts./lb.)	56.0	57.0	56.2	58.2	60.4	59.3	58.6	58.8	57.6	57.9	61.4	68.3	68.6	69.9
Farm value (cts.)	31.5	33.7	34.1	34.1	33.3	32.3	33.6	33.4	33.7	33.3	37.1	43.4	40.3	42.2
Farm-retail spread (cts.)	24.5	23.3	22.1	24.1	27.1	27.0	25.0	25.4	23.9	24.6	24.3	24.9	28.3	27.7
Farmer's share (%)	56	59	61	59	55	54	57	57	59	58	60	64	59	60
Eggs, large grade A														
Retail price (cts./doz.)	78.3	79.0	83.9	81.0	84.1	84.2	83.9	74.9	77.2	70.6	66.9	70.6	73.7	79.9
Farm value (cts.)	53.2	55.6	58.1	54.1	58.4	56.9	56.9	47.9	47.7	45.2	40.9	45.8	49.2	56.0
Farm-retail spread (cts.)	25.1	23.4	25.8	26.9	25.7	27.3	27.0	27.0	29.5	25.4	26.0	24.8	24.5	23.9
Farmer's share (%)	68	70	69	67	69	68	68	64	62	64	61	65	67	70
Bread, white:														
Retail price (cts./lb.)	34.5	34.8	35.6	35.8	36.4	37.2	37.4	37.3	36.8	36.2	35.6	35.6	35.1	35.0
Farm value, wheat (cts.)	5.4	5.3	5.7	5.9	5.5	4.9	4.8	4.4	4.4	4.1	3.6	4.3	4.8	5.0
Farm value, all <sup>7</sup> (cts.)	7.9	7.9	8.6	9.4	8.8	7.9	7.7	7.0	6.9	6.2	5.6	6.5	7.2	7.2
Farm-retail spread (cts.)	26.6	26.9	27.0	26.4	27.6	29.3	29.7	30.3	29.9	30.0	30.0	29.1	27.9	27.8
Farmer's share (%)	23	23	24	26	24	21	21	19	19	17	16	18	21	21
Lettuce:														
Retail price (cts./head)	42.3	41.8	42.7	51.8	43.9	39.5	48.5	40.3	38.0	39.2	42.0	37.5	39.5	42.3
Farm value (cts.)	13.2	10.9	16.6	19.9	11.8	19.0	14.2	11.6	12.9	9.4	9.9	11.9	13.4	16.7
Farm-retail spread (cts.)	29.1	30.9	26.1	31.9	32.1	20.5	34.3	28.7	25.1	29.8	32.1	25.6	26.1	25.6
Farmer's share (%)	31	26	39	38	27	48	29	29	34	24	24	32	34	39
Potatoes:														
Retail price (cts./10-lbs.)	166.4	123.3	120.1	121.2	118.4	112.7	111.1	104.2	100.3	112.0	135.0	199.3	178.7	136.5
Farm value (cts.)	59.4	42.9	40.5	40.8	35.9	34.6	33.0	30.6	33.9	38.4	64.2	78.2	61.6	44.1
Farm-retail spread (cts.)	107.0	80.4	79.6	80.4	82.5	78.1	78.1	73.6	66.4	73.6	70.8	121.1	117.1	92.4
Farmer's share (%)	36	35	34	34	30	31	30	29	34	34	48	39	34	32
Tomatoes:														
Retail price (cts./lb.)	54.8	44.7	44.2	53.0	60.8	60.0	61.9	62.0	56.8	55.1	66.6	81.3	48.1	45.6
Farm value (cts.)	21.0	14.6	16.5	27.6	21.3	22.0	30.3	21.4	19.5	20.0	36.5	34.8	19.1	18.1
Farm-retail spread (cts.)	33.8	30.1	27.7	25.4	39.5	38.0	31.6	40.6	37.3	35.1	30.1	46.5	29.0	27.5
Farmer's share (%)	38	33	37	52	35	37	49	35	34	36	55	43	40	40
Orange juice, frozen concentrate:														
Retail price (cts./6-oz. can)	25.8	26.0	26.7	26.9	26.8	27.4	27.9	28.0	28.1	27.9	27.9	28.2	28.2	28.2
Farm value (cts.)	8.9	9.3	9.3	9.3	9.3	9.0	8.7	8.7	8.3	7.9	8.0	8.8	8.8	8.8
Farm-retail spread (cts.)	16.9	16.7	17.4	17.6	17.6	18.4	19.2	19.3	19.8	20.0	19.9	19.4	19.4	19.4
Farmer's share (%)	34	36	35	35	35	33	31	31	30	28	29	31	31	31
Margarine:														
Retail price (cts./lb.)	67.4	63.6	66.3	69.1	70.5	71.4	70.8	69.7	67.4	63.4	60.4	59.2	58.5	58.9
Farm value (cts.)	27.7	34.5	33.6	34.4	29.4	27.5	25.1	22.9	24.1	20.3	17.7	22.0	24.4	19.7
Farm-retail spread (cts.)	29.7	29.1	32.7	34.7	41.1	43.9	45.7	46.8	43.3	43.1	42.7	37.2	34.1	39.2
Farmer's share (%)	48	54	51	50	42	39	35	33	36	32	29	37	42	33

<sup>1</sup> For a market basket of farm food and selected items. The market basket represents the average quantities of U.S. farm-originated foods purchased annually per household in 1960-61. Retail prices are from Bureau of Labor Statistics unless otherwise noted. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproducts. See table 13, May 1975 issue of the *Marketing and Transportation Situation for farm product equivalents for individual items*. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods. Data are preliminary. <sup>2</sup> Composite monthly average prices of all cuts adjusted for volume sold at special prices—derived from BLS and food chain prices. <sup>3</sup> For a quantity equivalent to 1 lb. retail cuts: Beef, 1.41 lb. of carcass beef (1975 data based on yield grade 3); pork, 1.07 lb. of wholesale cuts. <sup>4</sup> Payments to farmer for quantity of live animal equivalent to 1 retail pound less value of byproducts: Beef, 2.28 lb. and pork, 1.97 lb. <sup>5</sup> Includes not only gross margin for retailing but also charges made for other marketing services such as fabricating, wholesaling and in-city transportation. <sup>6</sup> Measures charges made for livestock marketing, processing, and transportation to city where consumed. <sup>7</sup> Includes wheat and other farm ingredients.



Market basket of farm foods by product group <sup>1</sup>	Annual			1974 <sup>2</sup>		1975 <sup>1</sup>		
	1972	1973	1974 <sup>2</sup>	III	IV	I	II	III
	Dollars							
Retail cost								
Meat	422.54	523.35	532.71	527.25	527.96	520.34	552.02	626.21
Dairy	228.83	248.95	296.45	293.76	296.74	301.18	298.11	297.73
Poultry	50.60	72.12	68.43	65.59	70.05	70.81	70.74	81.40
Eggs	37.97	56.39	56.93	51.30	59.84	58.33	51.51	53.39
Bakery and cereal	192.07	213.52	276.95	280.32	293.91	311.18	309.34	298.99
Fresh fruits	58.82	66.86	73.30	79.00	71.34	69.80	77.45	82.72
Fresh vegetables	88.17	109.42	118.75	115.95	104.86	107.29	110.70	124.46
Proc. fruits and veg.	127.97	135.22	166.04	170.28	181.35	187.03	186.78	184.38
Fats and oils	45.21	50.02	75.72	77.64	88.75	89.97	82.79	76.26
Miscellaneous	58.64	61.45	84.28	89.55	101.94	108.55	98.38	93.68
Total	1,310.82	1,537.30	1,749.56	1,750.64	1,796.74	1,824.48	1,837.81	1,919.22
Farm value								
Meat	246.33	331.29	299.22	304.40	293.23	284.53	347.45	391.37
Dairy	108.86	123.78	146.19	139.30	141.19	141.64	142.00	147.40
Poultry	24.59	42.43	38.05	37.55	40.61	39.80	41.45	49.55
Eggs	21.69	39.27	38.67	34.70	41.00	38.81	32.10	35.96
Bakery and cereal:								
All ingredients	31.93	47.64	69.23	66.75	75.34	63.97	53.24	56.88
Grain	24.63	37.29	48.89	45.20	49.05	41.76	36.75	40.39
Fresh fruits	17.50	22.13	22.11	24.02	21.46	20.16	25.24	24.05
Fresh vegetables	28.12	38.20	40.22	36.53	35.46	36.67	40.60	45.22
Proc. fruits and veg.	24.09	25.90	35.14	35.88	39.88	40.10	39.22	40.20
Fats and oils	12.04	18.52	35.32	40.08	40.97	32.20	26.17	28.44
Miscellaneous	8.99	11.15	21.26	23.15	30.58	26.16	18.41	18.13
Total	524.14	700.78	746.47	742.35	759.73	724.05	765.89	837.20
Farm-retail spread								
Meat	176.21	192.06	233.49	222.85	234.73	235.81	204.57	234.84
Dairy	119.97	124.70	150.26	154.46	155.55	159.54	156.11	150.33
Poultry	26.01	29.69	30.38	28.04	29.44	31.01	29.29	31.85
Eggs	16.28	17.12	18.26	16.60	18.84	19.52	19.41	17.43
Bakery and cereal	160.14	165.88	207.72	213.57	218.57	247.21	256.10	242.11
Fresh fruits	41.32	44.73	51.19	54.98	49.88	49.64	52.21	58.67
Fresh vegetables	60.05	71.27	78.53	79.42	69.40	70.62	70.10	79.24
Proc. fruits and veg.	103.88	109.32	130.90	134.40	141.47	146.93	147.56	144.18
Fats and oils	33.17	31.50	40.40	37.56	47.78	57.77	56.62	47.82
Miscellaneous	49.65	50.30	63.02	66.40	71.36	82.39	79.97	75.55
Total	786.68	836.52	1,003.09	1,008.29	1,037.01	1,100.43	1,071.92	1,082.02
	Percent							
Farmer's share								
Meat	58	63	56	58	56	55	63	63
Dairy	48	50	49	47	48	47	48	50
Poultry	49	59	56	57	58	56	59	61
Eggs	57	70	68	68	69	67	62	67
Bakery and cereal:								
All ingredients	17	22	25	24	26	21	17	19
Grain	13	17	18	16	17	13	12	14
Fresh fruits	30	33	30	30	30	29	33	29
Fresh vegetables	32	35	34	32	34	34	37	36
Proc. fruits and veg.	19	19	21	21	22	21	21	22
Fats and oils	27	37	47	52	46	36	32	37
Miscellaneous	15	18	25	26	30	24	19	19
Average	40	46	43	42	42	40	42	44

<sup>1</sup> See footnote 1 on monthly farm retail price spread table (page 22) for description of data. <sup>2</sup> Preliminary.

Farm-retail price spreads for selected foods, third quarter <sup>1</sup>	Retail price			Farm value			Farm-retail spread			Farmer's share		
	1973	1974	1975 <sup>2</sup>	1973	1974	1975 <sup>2</sup>	1973	1974	1975 <sup>2</sup>	1973	1974	1975 <sup>2</sup>
	Cents						Percent					
Beef, Choice (lb.)	141.8	141.0	156.4	98.8	91.3	100.8	43.0	49.7	55.6	70	65	64
Lamb, Choice (lb.)	139.7	152.3	175.7	77.7	76.7	92.3	62.0	75.6	83.4	56	50	53
Pork (lb.)	121.8	107.4	149.2	86.1	62.8	104.3	35.7	44.6	44.9	71	58	70
Butter (lb.)	91.2	91.2	101.6	64.6	53.6	69.5	26.6	37.6	32.1	71	59	68
Cheese, American process (% lb.)	59.8	71.4	76.5	30.8	31.4	37.3	29.0	40.0	39.2	52	44	49
Ice cream (% gal.)	90.5	108.8	121.1	34.3	38.3	42.3	56.2	70.5	78.8	38	35	35
Milk, evaporated (14%-oz.)	22.6	29.7	30.5	11.7	13.9	14.8	10.9	15.8	15.7	52	47	49
Milk, fresh												
Sold in stores (% gal.)	64.7	77.7	77.2	33.8	39.6	40.1	30.9	38.1	37.1	52	51	52
Chicken, frying (lb.)	74.9	54.1	68.9	48.6	31.4	42.0	26.3	27.4	26.9	65	58	61
Turkey (lb.)	79.9	66.3	73.8	50.3	33.0	44.9	29.6	33.3	28.9	63	50	61
Eggs, large Grade A (doz.)	87.4	70.8	74.7	64.3	47.9	50.3	23.1	22.9	24.4	74	68	67
Bread, white												
All ingredients (lb.)	27.7	34.7	35.2	5.9	7.6	7.0	21.8	27.1	28.2	21	22	20
Wheat (lb.)	---	---	---	4.5	5.0	4.7	---	---	---	16	14	13
Bread, whole wheat (lb.)	43.2	53.7	56.9	5.2	6.6	6.0	38.0	47.1	50.9	12	12	11
Cookies, sandwich (lb.)	57.6	75.0	92.0	9.5	18.6	13.8	48.1	56.4	78.2	16	25	15
Corn flakes (12 oz.)	32.7	42.7	51.8	4.1	5.3	4.7	28.6	37.4	47.1	13	12	9
Flour, white (t lb.)	73.5	101.6	95.2	37.0	40.7	37.2	36.5	60.9	58.0	50	40	39
Rice, long grain (lb.)	28.2	52.8	47.3	15.9	16.9	14.4	12.3	35.9	32.9	56	32	30
Apples (lb.)	35.0	38.4	41.5	11.5	12.6	13.2	23.5	25.8	28.3	33	33	32
Grapefruit (ea.)	23.6	23.0	26.8	5.8	5.1	5.2	17.8	17.9	21.6	25	22	19
Lemons (lb.)	39.1	41.9	46.1	13.5	12.3	14.0	25.6	29.6	32.1	35	29	30
Oranges (doz.)	107.6	114.8	121.1	27.9	28.3	27.2	79.7	86.5	93.9	26	25	22
Cabbage (lb.)	18.5	15.6	15.9	7.8	4.9	5.6	10.7	10.7	10.3	42	31	35
Carrots (lb.)	22.7	24.5	26.5	8.4	8.8	9.5	14.3	15.7	17.0	37	36	36
Celery (lb.)	27.0	25.5	26.9	9.1	7.7	7.8	17.9	17.8	19.1	34	30	29
Cucumbers (lb.)	25.9	29.8	31.1	8.4	10.2	11.0	17.5	19.6	20.1	32	34	35
Lettuce (Head)	46.0	43.6	39.8	13.2	12.3	14.0	32.8	31.3	25.8	29	28	35
Onions (lb.)	22.3	20.8	32.5	6.8	6.9	15.1	15.5	13.9	17.4	30	33	46
Peppers, green (lb.)	48.2	54.2	57.5	13.6	14.2	18.0	34.6	40.0	39.5	28	26	31
Potatoes (10 lb.)	164.4	159.0	171.5	53.7	50.6	61.3	110.7	108.4	110.2	33	32	36
Tomatoes (lb.)	47.8	49.6	58.3	20.6	18.1	24.0	27.2	31.5	34.3	43	36	41
Peaches, canned (No. 2½)	41.2	54.0	59.2	7.1	12.6	17.0	34.1	41.4	42.2	17	23	29
Pears, canned (No. 2½)	56.6	66.9	74.6	12.5	16.1	21.1	44.1	50.8	53.5	22	24	28
Beets, canned (No. 303)	24.4	29.0	33.1	1.5	2.3	2.4	22.9	26.7	30.7	6	8	7
Corn, canned (No. 303)	25.1	29.8	37.8	3.0	4.2	5.4	22.1	25.6	32.4	12	14	14
Peas, canned (No. 303)	27.0	32.9	39.4	4.2	6.2	6.9	22.8	26.7	32.5	16	19	18
Tomatoes, canned (No. 303)	24.9	30.7	35.5	2.8	3.6	4.8	22.1	27.1	30.7	11	12	14
Lemonade, frozen (6-oz. can)	14.6	17.7	22.8	3.8	5.1	7.2	10.8	12.6	15.6	26	29	32
Orange juice, frozen (6-oz. can)	24.8	25.9	28.2	8.4	9.3	8.8	16.4	16.6	19.4	34	36	31
Potatoes, french fried, frozen (9 oz.)	17.2	24.3	25.3	4.1	7.4	4.6	13.1	16.9	20.7	24	30	18
Peas, frozen (10 oz.)	23.7	30.9	32.2	4.0	5.6	6.9	19.7	25.3	25.3	17	18	21
Beans, dried (lb.)	29.8	71.8	36.7	17.2	22.4	21.4	12.6	49.4	15.3	58	31	58
Margarine (lb.)	37.7	58.5	58.9	16.0	31.8	22.2	21.7	26.7	36.7	42	54	38
Peanut butter (12-oz. jar)	52.4	63.3	66.8	18.3	21.1	22.5	34.1	42.2	44.3	35	33	34
Salad and cooking oil (24-oz. bottle)	69.4	110.9	110.3	24.8	50.3	35.4	44.6	60.6	74.9	36	45	32
Vegetable shortening (3 lb.)	108.2	184.8	176.3	55.1	112.3	77.8	53.1	72.5	98.5	51	61	44
Sugar (5 lb.)	75.6	174.4	149.8	31.5	103.8	70.0	44.1	70.6	79.8	42	60	47
Spaghetti, canned (15¼-oz. can)	20.2	24.4	26.7	2.8	3.5	4.1	17.4	20.9	22.6	14	14	15

<sup>1</sup> Unit designation refers to retail units. See footnote 1 on monthly farm-retail price spread table (page 22) for description of data. <sup>2</sup> Preliminary



Meat animals	1974		1975					
	Annual	Sept.	Apr.	May	June	July	Aug	Sept.
<b>Indicators:</b>								
7-State cattle on feed report:								
Number on feed (thous. head)		6.855	5.598	5.589	5.841	6.006	5.932	5.949
Placed on feed (thous. head)	15,869	1,109	1,362	1,532	1,380	1,141	1,273	2,052
Marketings (thous. head)	17,388	1,336	1,260	1,172	1,148	1,164	1,213	1,302
Beef steer-corn price ratio, Omaha	13.9	11.7	15.0	17.6	18.2	17.3	15.0	16.6
Hog-corn price ratio, Omaha	11.3	10.3	14.1	16.4	17.9	19.5	18.5	20.7
Commercial slaughter (thous. head)								
Cattle	36,812	3,089	3,206	3,149	3,193	3,400	3,468	
Steers	19,680	1,597	1,584	1,505	1,437	1,469	1,443	
Heifers	8,798	760	785	756	786	816	902	
Cows	7,514	652	757	794	868	1,006	1,020	
Bulls and stags	820	80	80	94	102	109	103	
Calves	2,987	286	384	371	382	468	466	
Sheep and lambs	8,847	870	652	636	636	658	648	
Hogs	81,762	6,880	6,731	5,693	5,386	4,955	4,883	
Commercial production (mil. lb.)								
Beef	22,844	1,857	1,894	1,849	1,849	1,915	1,961	
Veal	442	47	60	59	63	77	73	
Lamb and mutton	454	43	34	31	31	32	32	
Pork	13,583	1,127	1,100	925	889	817	794	
<b>Market prices:</b>								
	Dollars per 100 Pounds							
Slaughter cattle:								
Steers:								
Omaha								
Prime, 1100-1300 lb.	42.66	42.65	44.51	51.59	55.26	53.78		
Choice, 900-1100 lb.	41.89	41.41	42.80	49.48	51.82	50.21	46.80	48.91
Good, 900-1100 lb.	38.71	39.20	38.92	44.00	45.85	43.34	39.52	41.09
California, Choice 900-1100 lb.	43.72	41.00	45.95	52.00	53.94	50.50	45.75	
Colorado, Choice 900-1100 lb.	42.56	41.56	43.95	51.35	53.86	50.98	46.45	48.99
Cows, Omaha								
Commercial	25.45	22.46	21.87	23.59	23.55	22.13	21.99	23.45
Utility	25.56	22.56	21.67	23.55	23.32	22.00	21.29	22.45
Cutter	23.90	21.04	18.98	19.64	19.94	19.42	18.84	19.64
Canner	22.11	19.48	16.51	16.43	16.91	16.90	16.72	17.02
Vealers, Choice, S. St. Paul	49.63	43.44	46.84	40.56	39.15	39.01	37.10	36.57
Feeder cattle:								
Kansas City								
Choice, 400-500 lb.	40.84	32.40	31.45	34.66	35.82	32.58	31.70	35.15
Choice, 600-700 lb.	37.88	30.49	31.69	35.50	36.81	34.70	34.34	37.59
Good, 600-700 lb.	33.96	27.13	26.54	29.45	30.16	28.60	29.15	33.48
All weights and grades	36.49	29.80	30.73	34.87	33.52	32.53	32.93	35.98
Amarillo								
Good, 600-700 lb.	32.42	25.12	27.33	29.81	32.75	29.38	23.12	28.62
Slaughter hogs:								
Barrows and Gilts No. 1 & 2, Omaha								
200-220 lb.	36.83	36.21	41.54	47.56	52.19	57.81	58.73	61.26
220-240 lb.	36.85	36.48	41.57	47.51	52.26	58.00	58.89	61.30
Barrows and Gilts, Sioux City	34.75	35.69	40.74	46.42	51.31	57.25	58.12	61.19
Barrows and Gilts, 7 markets	35.12	35.79	40.69	46.44	51.19	57.12	58.10	61.23
Feeder pigs:								
U.S. No. 1 & 2, So. Missouri 40-50 lb.	25.13	18.75	43.05	44.00	44.65	44.10	46.75	58.81
Sows, 7 markets	29.92	29.04	37.00	41.12	44.28	49.59	51.89	54.56
Sheep and lambs:								
Slaughter:								
Lambs, Choice, San Angelo	40.51	36.12	46.65	47.62	46.06	45.25	40.00	43.50
Lambs, Choice, So. St. Paul	39.48	34.80	44.18	50.18	45.94	44.09	39.91	42.14
Ewes, Good, San Angelo	15.74	13.25	18.40	15.44	15.38	17.00	13.44	12.94
Ewes, Good, So. St. Paul	9.20	7.53	8.88	9.42	9.83	9.94	8.15	8.75
Feeder Lambs:								
Choice, San Angelo	36.52	30.42	43.65	43.00	39.69	40.25	38.75	41.25
Choice, So. St. Paul	33.26	27.57	37.00	37.79	37.35	37.10	35.52	36.63
Meat:								
Wholesale, Chicago								
Choice steer beef, 600-700 lb.	67.76	67.00	70.20	80.60	85.76	82.82	77.95	79.66
Choice heifer beef, 500-600 lb.	66.59	65.70	68.66	78.92	85.03	81.74	76.20	77.40
Canner and Cutter cow beef	53.48	45.90	44.07	46.44	46.64	45.48	43.67	45.50
Pork loins, 8-14 lb.	73.60	76.36	78.63	92.49	102.04	105.79	105.51	116.67
Pork bellies, 12-14 lb.	52.04	56.42	68.56	73.27	82.21	92.35	105.46	103.48
Hams, skinned, 14-17 lb.	64.11	61.27	67.56	74.89	79.91	84.75	91.08	99.08
East Coast:								
Lamb, Choice and Prime, 35-45 lb.	83.33	75.31	93.87	97.13	96.75	99.29	91.67	92.36
Lamb, Choice and Prime, 55-65 lb.	80.78	75.06	93.07	97.13	96.50	99.29	91.67	92.36
Steer Beef Choice, 600-700 lb.	69.08	68.58	71.07	82.09	88.01	84.92	80.09	82.40
West Coast:								
Beef, Choice 600-700 lb.	70.37	68.81	73.08	83.38	89.16	86.89	81.26	82.80

Poultry and eggs	1974		1975					
	Annual	Sept.	Apr.	May	June	July	Aug.	Sept.
<b>Eggs</b>								
Farm production (mil.)	65,868	5,231	5,280	5,402	5,211	5,363	5,388	5,263
Average number of layers on farms (mil.)	286	278	275	272	270	269	271	275
Rate of lay per layer	23.1	18.8	19.2	19.9	19.3	19.9	19.9	19.2
Frozen egg production (mil. lb.)	359.8	27.2	24.0	28.4	33.3	32.3	27.0	—
Dried egg production (mil. lb.)	72.1	5.5	4.4	4.7	5.3	6.1	5.4	—
New York wholesale price, grade A large (cts./doz.)	58.2	63.1	50.2	49.3	50.6	52.6	58.2	61.6
Price paid for laying feed (\$/ton)	153	163	146	145	144	145	150	149
Egg feed price ratio (lb.)	7.0	6.7	6.5	6.6	6.3	6.4	6.7	7.5
Stocks, first of month:								
Shell (thou. cases)		78	32	25	68	82	90	8.0
Frozen (mil. lb.)		63.4	47.0	43.6	44.8	48.0	51.2	51.9
Replacement chicks hatched (mil.)	473.4	32.1	48.1	48.4	40.9	38.5	35.3	34.2
<b>Broilers</b>								
Federally inspected slaughter, certified (mil. lb.)	7,916.8	621.1	688.3	690.1	683.1	714.2	680.5	—
9-city wholesale price (cts./lb.)	38.2	39.9	40.1	42.9	48.1	51.2	50.0	49.7
Broiler feed price (\$/ton)	167	176	164	161	162	161	163	164
Broiler feed price ratio (lb.)	2.6	2.6	2.9	3.1	3.4	3.8	3.5	3.6
Stocks, first of month (mil.)		34.2	28.8	28.5	24.3	22.7	19.2	22.8
Average weekly placement of broiler chicks in 21 States (mil.)	2,941.9	49.4	60.3	59.9	60.5	57.7	57.2	55.6
<b>Turkeys</b>								
Federally inspected slaughter, certified (mil. lb.)	1,835.8	220.2	68.7	81.9	138.4	193.2	203.3	—
New York wholesale price, 8-16 lb. young hens (cts./lb.)	47.2	47.0	48.3	51.6	53.4	56.0	58.0	57.2
Turkey feed price (\$/ton)	168	183	165	164	165	163	168	170
Turkey feed price ratio (lb.)	3.2	3.0	3.5	3.8	3.9	4.2	4.2	4.2
Stocks, first of month (mil. lb.)		431.8	207.1	177.6	159.6	193.0	247.7	328.5

Dairy	1974		1975					
	Annual	Aug.	Apr.	May	June	July	Aug.	Sept.
<b>Milk:</b>								
Production:								
Total milk (mil. lb.)	115,416	9,140	10,121	10,789	10,460	9,998	9,609	9,101
Milk per cow (lb.)	10,286	815	906	968	938	897	863	818
Number of milk cows (thous.)	11,221	11,208	11,176	11,150	11,147	11,142	11,137	11,132
Prices								
Minnesota-Wisconsin 3.5% fat (\$/cwt.)	7.06	6.69	6.94	7.02	7.11	7.35	7.70	8.27
Ration Price and Price ratios:								
Daily ration 16% protein (\$/ton)	138	148	134	132	130	130	135	135
Milk-feed price ratio	1.33	1.21	1.36	1.36	1.36	1.40	1.41	1.50
Wholesale price index (1967=100)	146.4	144.8	148.9	149.6	150.5	153.2	156.3	160.8
Stocks, end of period:								
Total, milk equivalent (mil. lb.)	5,886	7,680	5,708	6,296	6,874	6,910	6,342	—
Commercial (mil. lb.)	5,576	7,207	5,024	5,249	5,537	5,457	5,183	—
Government (mil. lb.)	310	473	684	1,047	1,337	1,453	1,159	—
Imports:								
Total milk equivalent (mil. lb.)	2,932	137	80	72	80	115	109	—
USDA net removals:								
Total milk equivalent (mil. lb.)	1,345.5	145.4	412.5	558.9	241.3	100.6	354.9	59.2
<b>Butter:</b>								
Production (mil. lb.)	961.7	63.9	100.9	101.6	88.3	70.4	58.9	—
Stocks, end of period (mil. lb.)	49.2	105.6	66.5	85.2	99.7	97.7	79.3	—
Price, wholesale, Grade A, Chicago (cts./lb.)	65.7	67.7	69.2	69.2	69.2	76.6	83.6	87.9
USDA net removals, (mil. lb.)	32.7	—	14.6	21.8	8.2	2.3	17.4	3.2
Commercial disappearance (mil. lb.)	929.9	73.8	84.0	77.6	76.9	74.0	77.7	—
<b>American cheese:</b>								
Production (mil. lb.)	1,858.6	125.0	152.9	168.4	170.7	153.0	133.8	—
Stocks, end of period (mil. lb.)	420.9	463.0	379.9	392.7	415.0	422.1	406.1	—
Price, wholesale, Wis. Assem. Pts (cts./lb.)	79.9	76.5	78.8	80.6	82.4	84.8	89.8	94.0
USDA removals (mil. lb.)	60.3	14.4	10.9	10.6	6.8	4.8	.1	.1
Commercial disappearance (mil. lb.)	1,780.6	126.6	147.1	147.2	147.3	145.0	155.4	—
<b>Nonfat dry milk:</b>								
Production (mil. lb.)	1,019.9	68.9	111.5	131.4	126.5	98.7	76.2	—
Stocks, end of period (mil. lb.)	293.2	252.3	328.8	379.7	438.2	484.8	529.4	—
Price, wholesale, avg. manf. (cts./lb.)	58.6	57.4	60.3	60.2	60.4	60.4	61.4	—
USDA removals (mil. lb.)	265.0	31.8	72.5	73.9	84.2	38.9	.5	.4
Commercial disappearance (mil. lb.)	809.9	60.1	45.4	50.2	50.0	80.9	93.2	—
<b>Cottage cheese<sup>a</sup>:</b>								
Production (mil. lb.)	977.4	78.6	89.9	93.2	87.9	88.4	83.7	—
<b>Frozen desserts<sup>a</sup>:</b>								
Production (mil. gal.)	1,118.7	99.5	97.4	112.9	123.2	126.4	118.0	—

<sup>1</sup> Domestic unrestricted sales exceeded purchases. <sup>2</sup> Less than 50,000 pounds. <sup>3</sup> Including lowfat cottage cheese. <sup>4</sup> Ice cream, ice milk, and sherbet.



Gross National Product and Related Data	1974	1973			1974				1975		
		II	III	IV	I	II	III	IV	I	II	IIIp.
Bil. \$ (Quarterly data seasonally adjusted at annual rates)											
Gross national product <sup>1</sup>	1,397.4	1,277.9	1,308.9	1,344.0	1,358.8	1,383.8	1,416.3	1,430.9	1,416.6	1,440.9	1,497.8
Personal consumption expenditures	876.7	799.0	816.3	823.9	840.6	869.1	901.3	895.8	913.2	938.6	970.0
Durable goods	127.5	132.1	132.4	124.3	123.9	129.5	136.1	120.7	124.9	130.6	139.0
Nondurable goods	380.2	332.7	343.8	352.1	364.4	375.8	389.0	391.7	398.8	410.1	423.8
Gross Private domestic investment	209.4	205.1	209.0	224.5	210.5	211.8	205.8	209.4	163.1	148.1	174.9
Fixed investment	195.2	194.4	197.1	195.5	193.6	198.3	197.1	191.6	182.2	179.1	184.4
Nonresidential	149.2	135.6	139.0	141.9	145.2	149.4	150.9	151.2	146.9	142.7	143.6
Structures	52.2	46.2	47.9	49.3	51.3	52.2	51.0	53.7	52.8	49.1	49.0
Producers' durable equipment	97.1	89.4	91.1	92.6	93.9	97.2	99.9	97.5	94.2	93.6	94.6
Residential structures	46.0	58.7	58.1	53.6	48.4	48.8	46.2	40.4	35.3	36.4	40.8
Nonfarm	45.2	58.4	57.6	53.0	47.8	48.0	45.4	39.7	34.8	35.6	39.9
Change in business inventories	14.2	10.7	11.8	28.9	16.9	13.5	8.7	17.8	-19.2	-31.0	-9.5
Nonfarm	11.9	7.7	7.4	24.0	13.1	10.4	6.6	17.5	-17.8	-30.6	-10.6
Net exports of goods and services	2.1	.5	6.7	9.3	11.3	-1.5	-3.1	1.9	8.8	16.2	9.8
Exports	140.2	95.4	103.7	113.6	131.2	138.5	143.6	147.5	142.2	136.0	140.2
Imports	138.1	94.9	96.9	104.3	119.9	140.0	146.7	145.7	133.4	119.8	130.4
Government purchases of goods and services	309.2	273.3	276.9	286.4	296.3	304.4	312.3	323.8	331.6	338.1	343.1
Federal	116.9	106.2	105.3	108.4	111.5	114.3	117.2	124.5	126.5	128.4	129.9
State and local	192.3	167.1	171.6	177.9	184.8	190.1	195.1	199.3	205.1	209.7	213.2
1958 \$bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product	821.2	837.4	840.8	845.7	830.5	827.1	823.1	804.0	780.0	783.6	804.6
Personal consumption expenditures	539.5	553.7	555.4	546.3	539.7	542.7	547.2	528.2	531.5	539.7	548.9
Durable goods	103.1	115.7	114.3	107.2	105.2	106.8	107.8	92.8	95.2	97.9	103.5
Nondurable goods	223.7	228.3	230.0	227.4	223.9	223.6	225.8	221.4	222.5	226.4	228.6
Gross Private domestic investment	126.7	136.3	135.8	145.8	133.3	130.3	122.7	120.5	89.3	80.7	94.9
Fixed investment	118.0	128.4	127.7	125.8	122.7	122.2	117.7	109.6	101.0	97.8	99.7
Nonresidential	94.0	94.3	95.1	96.0	96.3	96.5	94.1	89.2	83.8	80.3	80.4
Structures	26.2	25.1	25.6	26.0	26.7	26.6	25.4	26.1	25.2	23.5	23.3
Producers' durable equipment	67.8	69.2	69.5	70.0	69.7	69.9	68.7	63.1	58.6	56.8	57.1
Residential structures	24.0	34.1	32.6	29.8	26.4	25.7	23.6	20.4	17.3	17.5	19.3
Nonfarm	23.6	33.9	32.4	29.5	26.0	25.3	23.1	20.1	17.0	17.1	18.8
Change in business inventories	8.7	7.8	8.0	20.0	10.6	8.2	5.0	10.9	-11.7	-17.1	-4.8
Nonfarm	7.4	6.3	6.2	17.9	8.7	6.4	3.9	10.7	-10.9	-16.8	-5.4
Net exports of goods and services	9.0	3.5	5.8	7.9	11.5	8.2	7.3	9.1	11.6	14.0	11.2
Exports	71.9	65.9	66.9	68.9	73.3	73.4	70.9	69.9	66.5	63.3	65.4
Imports	62.9	62.4	61.1	61.0	61.8	65.1	63.6	60.9	54.9	49.4	54.1
Government purchases of goods and services	146.0	143.9	143.7	145.7	146.0	145.8	145.9	146.3	147.7	149.2	149.6
Federal	56.5	57.7	56.2	56.4	56.3	56.3	56.5	57.0	57.4	58.3	58.4
State and local	89.5	86.2	87.5	89.3	89.7	89.5	89.4	89.3	90.2	90.9	91.2
Implicit price deflator for GNP (1958=100)	170.18	152.61	155.67	158.93	163.61	167.31	172.07	177.97	181.62	183.88	186.15
Disposable income (\$bil.)	979.7	892.1	913.9	939.4	950.6	966.5	993.1	1,008.8	1,015.5	1,078.5	1,079.1
Disposable income (1958 \$bil.)	602.8	618.2	621.8	622.9	610.3	603.5	602.9	594.8	591.0	620.2	610.6

Selected monthly indicators	1974		1975					
	Annual	Sept.	Apr.	May	June	July	Aug.	Sept.
Seasonally adjusted except as noted								
Industrial production, total <sup>2</sup> (1967=100)	124.8	125.6	109.9	110.1	111.1	112.2	114.0	116.2p.
Manufacturing (1967=100)	124.4	125.5	107.9	108.2	109.5	110.5	112.7	114.7p.
Durable (1967=100)	120.7	122.1	103.3	102.5	103.2	103.5	105.4	108.0p.
Nondurable (1967=100)	129.7	130.5	114.8	116.1	118.6	120.8	123.1	124.6p.
Employment <sup>3</sup> (Mil. persons)	85.9	86.4	84.1	84.4	84.4	85.1	85.4	85.4p.
Unemployment rate <sup>3</sup>	5.6	5.8	8.9	9.2	8.6	8.4	8.4	8.3
Personal income <sup>1</sup> (\$bil. annual rate)	1,150.5	1,178.0	1,203.1	1,214.3	1,244.1	1,238.9	1,255.9	1,270.3p.
Consumer price index <sup>3</sup> (1967=100)	147.7	151.7	158.6	159.3	160.6	162.3	162.8	163.6
Wholesale price index <sup>3</sup> (1967=100)	160.1	167.2	172.1	173.2	173.7	175.7	176.7	177.7
Money stock (daily average) <sup>2</sup> (\$bil.)	*284.4	280.7	285.8	288.5	293.0	293.5	294.2	294.7p.
Time and savings deposits (daily average) <sup>2</sup> (\$bil.)	*419.3	407.5	431.5	432.9	437.1	439.1	437.4	440.7p.
Three-month Treasury bill rate <sup>2</sup> (%)	7.886	8.363	5.694	5.315	5.193	6.164	6.463	
Aaa corporate bond yield (Moody's) <sup>4</sup> (%)	8.57	9.24	8.95	8.90	8.77	8.84	8.95	8.95
Interest rate on new home mortgages <sup>4</sup> (%)	8.92	9.19	8.96	8.90	8.96	8.89	8.91p.	

<sup>1</sup> Department of Commerce. <sup>2</sup> Board of Governors of the Federal Reserve System. <sup>3</sup> Department of Labor, Bureau of Labor Statistics. <sup>4</sup> Not seasonally adjusted.  
<sup>\*</sup> December of the year listed. <sup>\*</sup> Moody's Investor Service. <sup>\*</sup> Federal Home Loan Bank Board. p. Preliminary.

U.S. agricultural imports by selected commodities	Fiscal year				August			
	Quantity		Value		Quantity		Value	
	1974/75	1975/76 <sup>1</sup>	1974/75	1975/76 <sup>1</sup>	1974	1975 <sup>1</sup>	1974	1975 <sup>1</sup>
	Thousands	Thousands	1,000 dollars	1,000 dollars	Thousands	Thousands	1,000 dollars	1,000 dollars
Animals, live ex. poultry	---	---	22,786	14,439	---	---	7,876	7,956
Meat & Preparations, ex. poultry (lb.)	242,741	297,038	179,924	194,686	141,235	149,301	98,719	94,980
Beef and veal (lb.)	191,448	236,984	131,187	120,050	119,190	123,408	78,745	63,682
Pork (lb.)	44,704	48,178	41,983	66,384	19,251	19,692	16,907	27,007
Dairy products, excluding eggs	---	---	41,377	31,474	---	---	20,604	15,021
Poultry and poultry products	---	---	5,457	4,549	---	---	2,837	2,204
Grains and preparations	---	---	38,300	31,029	---	---	17,221	17,183
Wheat and wheat flour (bu.)	509	56	2,587	374	46	31	352	193
Rice (lb.)	535	137	143	62	288	62	79	28
Feed grains (mt.)	117	75	19,300	12,622	51	52	8,181	8,767
Other	---	---	16,270	17,971	---	---	8,609	8,195
Fruits, nuts, and preparations	---	---	75,339	69,787	---	---	58,308	33,814
Bananas (lb.)	633,033	749,078	30,673	42,883	306,784	339,725	14,802	20,363
Vegetables and preparations	---	---	47,320	46,160	---	---	22,667	21,039
Sugar and preparations, including honey	---	---	522,770	316,002	---	---	273,119	124,202
Sugar, cane or beet (s. ton)	1,193	695	494,858	284,158	593	290	261,734	109,288
Coffee, tea, cocoa, spices, etc. (lb.)	528,389	620,447	338,671	353,421	231,831	319,332	148,881	185,711
Coffee, green (lb.)	350,676	462,076	213,305	257,006	152,389	247,029	92,612	140,962
Cocoa beans (lb.)	51,872	65,120	36,469	34,651	23,255	27,970	16,343	14,967
Feeds and fodders	---	---	9,709	7,804	---	---	5,373	3,241
Protein meal (s. ton)	2	0	179	20	0	0	38	20
Beverages, ex. distilled alcoholic bev. (gal.)	19,307	18,002	61,079	61,038	9,583	8,690	31,330	30,094
Tobacco, unmanufactured (lb.)	44,948	52,519	28,161	40,186	20,124	25,386	12,618	19,033
Hides, skins, and furskins	---	---	23,127	25,048	---	---	13,539	12,269
Oilseeds	---	---	7,087	8,289	---	---	3,188	3,760
Soybeans (lb.)	( <sup>2</sup> )	0	( <sup>1</sup> )	0	( <sup>1</sup> )	0	( <sup>1</sup> )	0
Wool, unmanufactured (gib.)	7,075	6,684	7,802	6,523	3,772	3,386	4,053	3,544
Cotton, unmanufactured (rble)	13	6	4,123	768	8	3	2,654	402
Fats, oils and greases (lb.)	5,250	3,943	1,733	1,440	2,602	1,554	943	534
Vegetable oils and waxes (lb.)	260,038	343,844	111,894	75,260	112,906	145,733	44,017	31,981
Rubber and allied gums (lb.)	291,101	255,207	100,031	60,207	125,283	135,052	42,126	32,239
Other	---	---	125,656	101,653	---	---	63,991	48,491
Total	---	---	1,752,346	1,449,753	---	---	854,064	687,698

<sup>1</sup> Preliminary. <sup>2</sup> Less than 500.

U.S. agricultural exports by selected commodities	Fiscal Year				August			
	Quantity		Value		Quantity		Value	
	1974/75	1975/76 <sup>1</sup>	1974/75	1975/76 <sup>1</sup>	1974	1975 <sup>1</sup>	1974	1975 <sup>1</sup>
	Thousands	Thousands	1,000 dollars	1,000 dollars	Thousands	Thousands	1,000 dollars	1,000 dollars
Animals, live, ex. poultry	---	---	14,398	14,298	---	---	7,967	5,518
Meat and preparations, ex. poultry (lb.)	100,376	111,633	51,095	80,221	50,772	59,463	26,786	41,544
Dairy products, excluding eggs	---	---	11,835	18,920	---	---	6,440	6,265
Poultry and poultry products	---	---	24,577	27,867	---	---	11,189	13,597
Grains and preparations	---	---	1,558,243	1,683,579	---	---	741,995	876,704
Wheat and wheat flour (bu.)	179,545	216,834	762,279	900,667	94,674	114,210	401,648	469,271
Rice, milled (lb.)	479,861	473,241	112,351	86,854	174,396	225,552	41,215	41,484
Feed grains (mt.)	5,302	5,340	643,468	663,974	2,224	2,801	280,474	351,175
Other	---	---	40,145	32,084	---	---	18,658	14,774
Fruits, nuts, and preparations	---	---	117,496	146,404	---	---	60,841	76,494
Vegetables and preparations	---	---	73,180	59,390	---	---	36,269	24,804
Sugar and preparations, including honey (lb.)	75,190	176,785	9,290	34,083	45,153	59,442	5,150	11,687
Coffee, tea, cocoa, spices, etc. (lb.)	11,065	14,850	9,879	17,140	5,572	8,222	4,819	9,523
Feeds and fodders	---	---	174,256	146,619	---	---	88,425	77,824
Protein meal (s. ton)	885	668	128,346	100,363	434	389	67,441	56,620
Beverages, ex. distilled alcoholic bev. (gal.)	1,065	1,622	1,803	2,795	408	854	827	1,516
Tobacco, unmanufactured (lb.)	101,121	63,914	120,382	94,889	51,867	39,750	63,093	59,729
Hides, skins, and furskins	---	---	61,795	50,211	---	---	29,011	24,787
Oilseeds	---	---	346,111	413,646	---	---	161,706	212,902
Soybeans (bu.)	48,270	64,458	322,719	386,311	21,157	33,422	151,287	200,401
Wool, unmanufactured (gib.)	1,904	3,061	2,422	3,548	1,085	1,300	1,260	1,489
Cotton, unmanufactured (rble)	733	712	184,942	177,992	285	338	71,078	86,516
Fats, oils, and greases (lb.)	477,806	231,038	102,620	40,394	217,707	110,300	46,359	19,316
Vegetable oils and waxes (lb.)	523,995	234,254	168,528	71,434	178,424	79,816	61,685	24,529
Rubber and allied gums (lb.)	6,097	6,652	3,344	3,723	3,255	3,759	1,884	2,125
Other	---	---	47,818	45,628	---	---	25,694	23,573
Total	---	---	3,084,014	3,132,781	---	---	1,452,478	1,600,442

<sup>1</sup> Preliminary.

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